

August 13, 2025

PUBLIC DOCUMENT

Mike Bull
Interim Executive Secretary
Minnesota Public Utilities Commission
121 7th Place East, Suite 350
St. Paul, Minnesota 55101-2147

RE: **PUBLIC** Comments of the Minnesota Department of Commerce
Docket No. E017/M-25-199

Dear Mr. Bull:

Attached are the **PUBLIC** comments of the Minnesota Department of Commerce (Department) in the following matter:

*Otter Tail Power Company's Petition for Approval of the Annual Update to its Electric Utility Infrastructure Cost Recovery Rider, Rate Schedule 13.11;
and*

Minnesota Public Utility Commission's Notice of Comment Period.

The Petition was filed by Otter Tail Power Company on April 14, 2025.

The Department preliminarily recommends certain modifications to Otter Tail's petition and requests Otter Tail provide additional information in reply comments. The Department will provide final recommendations to the Minnesota Public Utilities Commission (Commission) after reviewing Otter Tail's reply comments. The Department is available to answer any questions the Minnesota Public Utilities Commission may have.

Sincerely,

/s/ Dr. SYDNIE LIEB
Assistant Commissioner of Regulatory Analysis

JT/MJ/ar
Attachment

Before the Minnesota Public Utilities Commission

PUBLIC Comments of the Minnesota Department of Commerce

Docket No. E017/M-25-199

I. INTRODUCTION

On April 14, 2025, Otter Tail Power Company (Otter Tail, OTP, or the Company) filed a petition in Docket No. E017/M-25-199 requesting the Commission approve decreased rates in the Company's Electric Utility Infrastructure Cost (EUIC) Rider, effective January 1, 2026, or on the first day of the month following Commission approval, should its decision be thereafter. The decreased rates reflect continued recovery of the Advanced Metering Infrastructure (AMI) and Outage Management System (OMS) projects approved in the Commission's August 4, 2022, [Order](#) in Docket No. E017/M-21-382, as well as the Demand Response (DR) System project approved in the Commission's January 8, 2025 [Order](#) in Docket No. E017/M-24-186. The current petition is the third update for the EUIC Rider. The Company also requests the addition of the remodels of their Customer Service Centers (CSC) in Bemidji, Minnesota and Milbank, South Dakota in the EUIC recovery rider.

A. EUIC STATUTE

[Minn. Stat. § 216B.1636](#) allows the Commission to approve rate riders to recover EUIC. EUIC is defined as costs for "electric utility infrastructure projects"¹ not included in the electric utility's rate base in its most recent general rate case. The costs allowed for recovery are a rate of return, income taxes on the rate of return, incremental property taxes, if any, and incremental depreciation expense associated with the EUIC.²

EUIC rider petitions can only be filed once a year and must provide the following information:³

- i. the location, description, and costs associated with the project;
- ii. evidence that the electric utility infrastructure project will conserve energy or use energy more efficiently than similar utility facilities currently used by the electric utility;
- iii. the proposed schedule for implementation;
- iv. a description of the costs, and salvage value, if any, associated with the existing infrastructure replaced or modified as a result of the project;
- v. the proposed rate design and an explanation of why the proposed rate design is in the public interest;

¹ The statute defines "electric utility infrastructure projects" as projects that (1) replace or modify existing electric utility infrastructure, including utility-owned buildings, if the replacement or modification is shown to conserve energy or use energy more efficiently, consistent with [§ 216B.241](#), subdivision 1c; or (2) conserve energy or use energy more efficiently by using waste heat recovery converted into electricity as defined in § 216B.241, subdivision 1, paragraph (o).

² Minn. Stat. § 216B.1636, subd. 2(a).

³ Minn. Stat. § 216B.1636, subd. 2(b)(2).

- vi. the magnitude and timing of any known future electric utility projects that the utility may seek to recover under this section;
- vii. the magnitude of EUIC in relation to the electric utility's base revenue as approved by the commission in the electric utility's most recent general rate case, exclusive of fuel cost adjustments;
- viii. the magnitude of EUIC in relation to the electric utility's capital expenditures since its most recent general rate case;
- ix. the amount of time since the utility last filed a general rate case and the utility's reasons for seeking recovery outside of a general rate case;
- x. documentation supporting the calculation of the EUIC; and
- xi. a cost and benefit analysis showing that the electric utility infrastructure project is in the public interest.

Upon approval of the proposed projects and associated EUIC rate schedule, the utility may implement the electric utility infrastructure projects.⁴

B. ESTABLISHMENT OF OTTER TAIL'S EUIC RIDER

B.1. Overview

On June 7, 2021, Otter Tail filed a petition in Docket No. E017/M-21-382 requesting Commission approval of an EUIC rider.

On August 4, 2022, the Commission issued an Order approving Otter Tail's petition with certain modifications, discussed below.

On August 31, 2022, Otter Tail submitted a compliance filing with rates reflecting the August 4, 2022, Order.

The Commission approved the first update to Otter Tail's EUIC in its March 13, 2024, [Order](#) in Docket No. E017/M-23-131.

The Commission approved the second update to Otter Tail's EUIC in its January 8, 2025, [Order](#) in Docket No. E017/M-24-186.

⁴ Minn. Stat. § 216B.1636, subd. 2(c).

B.2. AMI

The Commission's August 4, 2022, [Order](#) in Docket No. E017/M-21-382 approved a soft cost cap⁵ on the AMI Project of \$55.9 million in OTP total (across all jurisdictions) project capital costs,⁶ less (a) internal labor costs, and (b) external legal and consulting costs unless Otter Tail demonstrates that external legal and consulting costs are specific to the AMI project and qualify to be capitalized under Generally Accepted Accounting Principles (GAAP).

As required by the August 4, 2022, Order, Otter Tail's August 31, 2022, [compliance filing](#) included the AMI costs from Otter Tail's reply comments. Regarding the requirement that Otter Tail show external legal and consulting costs are specific to the AMI project and qualify to be capitalized under Generally Accepted Accounting Principles,⁷ this issue was resolved for the 2022 rate implementation since OTP provided the required information.

B.3. OMS

The Commission's August 4, 2022, Order in Docket No. E017/M-21-382 approved a soft cost cap⁸ of \$2,002,185 for Minnesota capital costs for OMS, representative of OTP total OMS capital costs of \$4,073,428.⁹

As required by the August 4, 2022, Order, Otter Tail's August 31, 2022, compliance filing included the OMS costs from Otter Tail's initial petition. However, Otter Tail clarified that its reply comments updated the OMS capital costs to remove internal costs, update cost of capital, and to correct a minor error in the spreadsheet. Otter Tail stated it would true up the costs in the next annual EUIC filing, to account for the changes from Otter Tail's reply comments.

B.4. DR

The Commission's January 8, 2025, Order in Docket No. E017/M-24-186 approved a soft cost cap of **[TRADE SECRET DATA HAS BEEN EXCISED]**¹⁰. The Commission Order Point 4 also states "the Company may request additional recovery of DR project costs in a future EUIC rider filing. Otter Tail must not recover costs exceeding the approved soft cap unless it shows in its next rate case by clear and

⁵ The "soft cap" as approved means Otter Tail may request cost recovery for cost overruns during its next rate case, if it can show clear and convincing evidence that the costs were reasonable, prudent, and beyond its control.

⁶ See also the Department's April 19, 2022, comments, pages 12-13.

⁷ If no agreement with the Department was reached within 30 days, the Company was required to file for resolution of the appropriate incremental external legal and consulting costs for this and future years in its next EUIC rider request or rate case. However, as discussed in Otter Tail's August 31, 2022, compliance filing, the Department and Otter Tail did in fact reach an agreement.

⁸ See footnote 5.

⁹ *In the Matter of Otter Tail Power Company's Petition to Implement Electric Utility Infrastructure Cost Recovery Rider for Advanced Metering Infrastructure (AMI) / Outage Management System (OMS) / Demand Response (DR) System, Rate Schedule 13.11*, Department, Response to Reply Comments, April 19, 2022, Docket No. E017/M-21-382, (eDockets) [20224-184927-02](#).

¹⁰ OTP Proposed New Decision on 1/7/25.

convincing evidence that the additional costs were reasonable, prudent, and beyond Otter Tail's control."

B.5. Reporting

The Commission's August 4, 2022, Order in Docket No. E017/M-21-382 required Otter Tail, in its next EUIC rider petition, to propose and establish performance metrics to track the performance of the AMI Project and OMS Project and any other projects proposed. In addition, Otter Tail must file an annual report (in future EUIC rider petitions) on its grid modernization investments. According to the Order, the annual report should include the following information:

- an update on the scope of the grid modernization projects proposed in the EUIC rider and intended functionalities and plan for upcoming year;
- an update on the actual capital and operations and maintenance costs incurred and savings accrued compared to the forecasted amounts included in the initial filing of the EUIC rider petition;
- an update on the implementation progress of the grid modernization projects proposed compared to the planned timeline;
- an update on the products and services that the grid modernization projects proposed may enable, including any modifications to those offerings, and a summary of implementation progress;
- a discussion of how the proposed grid modernization projects relate to Otter Tail's integrated distribution plan, specifically the Commission's Planning Objectives for integrated distribution plans and Otter Tail's integrated distribution plan Filing Requirement 3.D (Otter Tail's Long-term Distribution System Modernization and Infrastructure Investment Plan); and
- an update on any performance metrics that are established in a future EUIC rider proceeding.

In addition, the March 13, 2024, [Order](#) for Docket No. E017/M-23-131 requires Otter Tail to "report annually in electric utility infrastructure cost petitions on all metrics included in attachment 10 of Otter Tail's March 20, 2023, petition, or explain why reporting for a given metric was not possible."

B.6. Tariff Implementation

In the August 4, 2022, Order in Docket No. E017/M-21-382, the Commission approved Otter Tail's tariff changes as requested in the Company's June 20, 2022, supplemental filing.

Otter Tail's August 31, 2022, compliance filing provided its rates and tariff to be implemented on September 1, 2022, with Otter Tail stating that the rates had been updated to include recovery of the AMI and OMS projects as approved in ordering paragraphs 2 and 3. As shown in Attachment 1 to the compliance filing, the updated rates reflected Minnesota revenue requirements for the calendar year 2022 EUIC Rider of \$833,580.

The Commission also required Otter Tail, within 30 days of the date of the Order, to file an updated version of the class allocation and current rate design and the EUIC tracker, reflecting the decisions in the Order and any agreement with the Department on adjustments for incremental external legal and consulting costs. Attachment 1 to Otter Tail's August 31, 2022, compliance filing provided the updated version of the class allocation and current rate design. Attachment 2 of the compliance filing provided the updated tracker.

In the March 13, 2024, Order in Docket No. E017/M-23-131, the Commission approved Otter Tail's tariff changes as requested in the Company's March 20, 2023, filing. Otter Tail's March 20, 2024, compliance filing provided its rates and tariff to be implemented on April 1, 2024, with Otter Tail stating that the rates had been updated to reflect the Commission's approved changes.

In the January 8, 2025, Order in Docket No. E017/M-24-186, the Commission approved Otter Tail's tariff changes as requested in the Company's May 3, 2024 filing, October 9, 2024 response letter, and January 7, 2025 proposed new decision. Otter Tail's January 15, 2025 compliance filing provided its rates and tariff to be implemented on February 1, 2025, with Otter Tail stating that the rates had been updated to reflect the Commission's approved changes.

The Minnesota Department of Commerce, Division of Energy Resources (Department) analyzes Otter Tail's petition below, starting with some background information.

II. PROCEDURAL BACKGROUND

April 14, 2025	Otter Tail Power Company filed a petition for approval of its annual Electric Utility Infrastructure Cost Rider.
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May 13, 2025	Minnesota Public Utilities Commission filed a Notice of Comment Period.
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III. DEPARTMENT ANALYSIS

Otter Tail is requesting continued recovery of costs for three projects: AMI, OMS, and DR. The Company is also requesting to recover costs for two new projects, the remodels of its customer service centers in Bemidji, Minnesota, and Milbank, South Dakota. The Department first reviews the three reoccurring projects for AMI, OMS with GIS, and DR (approved last year in the second annual update to the EUIC in Docket No. E-017/M-24-186), second reviews the two CSC remodel projects, and then finally reviews Otter Tail's overall proposed cost recovery and rates.

A. AMI

A.1. AMI Overview

The AMI project primarily consists of deploying 175,000 AMI meters across Otter Tail's overall service territory, including over 80,000 AMI meters in Minnesota. In addition, Otter Tail will deploy local data collectors in a Field Area Network (FAN) that collects and transmits meter data back to Otter Tail. Finally, Otter Tail will also install a head-end system and Meter Data Management System to route and store data, as needed, to facilitate automatic meter reading and distribution control. The main benefit of AMI in terms of direct dollars saved comes from eliminating the need to manually read meters by physically visiting customer premises.¹¹

A.2. AMI Implementation

Page 5 through 6 of the current petition provided the following update on the implementation of the AMI project, noting a delay in the deployment schedule:

The original implementation plan for the AMI project anticipated business process development, system integration, and initial deployment to occur in late 2021 through the fourth quarter of 2022, with full deployment from late 2022 to the third quarter 2024. The deployment schedule was delayed due to the integration requirements of the software systems and the associated testing challenges as discussed in the 2023 annual update filing.¹² The AMI pilot of approximately 500 meters occurred in December 2023. Full meter deployment started in mid-February 2024 and continued throughout the year. While most AMI meters were installed by the end of 2024, there are some AMI meter installations that will occur throughout 2025. Allegiant Utility Services, Otter Tail Power's meter installation contractor, completed the contracted portion of the installations in 2024, which represents approximately 88 percent of the total meter

¹¹ *In the Matter of Otter Tail Power Company's Petition to Implement Electric Utility Infrastructure Cost Recovery Rider for Advanced Metering Infrastructure / Outage Management System / Demand Response System, Rate Schedule 13.11*, Otter Tail, Initial Petition, March 20, 2023, Docket No. E-017/M-23-131, (eDockets) [20233-194110-01](#) at 5 and 6.

¹² *Ibid.*

installations. The meters associated with complex rates, complex metering configurations, and heightened impact to customer processes are currently being installed by Otter Tail Power employees. Allowing Otter Tail Power staff to manage these meter exchanges reduced delays in the work previously done by Allegiant Utility Services and provides a more coordinated exchange process for this customer group, which includes larger commercial and industrial loads.

Otter Tail states Allegiant Utility Services, the Company's meter installation contractor, has completed their contracted portion of the installations in 2024, and Otter Tail employees are in the process of completing the complex meters in 2025.

In response to information request (IR) #1, Otter Tail stated that as of June 13, 2025, 97.9 percent of the meters had been installed, and as of May 31, 2025, total AMI project costs were \$49.8 million. The Company also noted that the current AMI project cost forecast is \$56.0, which is over the \$55.9 million soft cap, however Otter Tail will remove all costs above the soft cap (approximately \$86,288), in order to comply, and will not request recovery of these costs until the Company's next General rate case.¹³ The Department is requesting that all costs above the soft cap be removed from the tracker in the Company's reply comments.

A.3. O&M Savings due to AMI

A.3.1. April 14, 2025, Initial Petition

Page 6 of the petition provided an update on AMI costs and savings, stating:

Otter Tail's actual cost through 2024 for the AMI project is \$45.7 million. The projected total spend on the project is \$55.6 million, which is under the \$55.9 million approved amount.

Otter Tail Power began to realize O&M savings due to partial AMI implementation in May 2024. The Company estimates that approximately 75 percent of total expected annual savings will be realized in 2025, and nearly 100 percent expected savings will begin in 2026.

¹³ Department Attachment 1.

Table 1: Total Company Estimated Cost Savings Shifts Due to Updated AMI Project Timeline

	2023	2024	2025	2026
Initial Filing [21-382]	\$1,744,453	\$5,390,360	\$7,402,761	N/A
2023 Update [23-131]	\$150,102	\$4,540,372	\$7,402,761	N/A
2024 Update [24-186]	\$0	\$1,087,647	\$4,350,588	N/A
2025 Update [current petition ¹⁴]	\$0	\$0	\$4,077,542	\$5,800,784

Table 1 above shows Otter Tail's tracking of the actual O&M savings related to the AMI project for 2025 and the projected in 2026. 2023 and 2024 actual O&M savings were recorded in prior years petitions. According to Otter Tail, these savings "primarily include costs related to manual meter reading, of which a certain portion was completed by third party contract services and a certain portion conducted internally by service rep[resentative]s across Otter Tail Power's system."¹⁵

The total projected O&M savings have been reduced from the 2024 filing and this change is reflected in Attachment 8 of the current petition. The projected annual savings based on meter reading amount included in base rates for 2025 and 2026 revenue requirements (as shown on line 8 of Attachment 8) is \$5.8 million on a Total Company basis.

As noted above, 75% of expected annual savings will be realized in 2025 and nearly 100% annual savings will begin in 2026.¹⁶ This timeline has updated since the prior filing IR response was received.

The Department agrees with Otter Tail that it is correct to only credit customers for the amount reflective of what customers are actually paying for meter reading costs in base rates. Since base rates reflect 2021 meter-reading costs, the credit should also reflect 2021 meter-reading costs. The Department has reviewed the O&M savings due to AMI implementation and believes the Company's calculation is reasonable.

B. OMS

B.1. OMS Overview

The June 7, 2021, petition in Docket No. E017/M-21-382 described the OMS project as follows:

As part of the OMS project, Otter Tail will develop the electrical connectivity model from meter to substation and specific attribution data of Otter Tail's GIS [Geographic Information System] features. The data collection effort will ensure the Company has accurate and complete data and can track how each customer on the delivery system is connected from

¹⁴ Petition, Attachment 8, pp. 1-2.

¹⁵ Petition, p. 29.

¹⁶ Petition, p. 6.

the meter to a delivery transformer, to a feeder, and finally to a distribution substation. This updated data will facilitate better outage response when outage information is sent to the OMS. The GIS work will be performed by a third-party vendor that has extensive experience updating GIS models in preparation for grid modernization tools. In addition, the attribution data will be leveraged by Otter Tail engineers to refine various asset health programs, such as underground cable replacement and overhead line replacement projects. The connectivity model will also be utilized by the MDM[S] [Meter Data Management System] for operational and planning tools and will be available for future tools, such as Volt/Var optimization, DR controls, and automated system reconfiguration. As such, the GIS effort is foundational to the I2030 initiative.

Lastly, the implementation of AMI will enhance the speed in which the OMS receives outage information and therefore improve restoration times even further. The individual meters will provide power-off and power-on notifications to be utilized by the OMS.

...

Currently, a customer will call to report an outage and must speak to a live call agent. The call agent or on-call management then must compile data from calls, field devices, and employees and dispatch a field crew to respond to the information. With an OMS, all outage related data will funnel into the system, including field updates, and automated outage call information received from customers through an outage Interactive Voice Response (IVR) system.

B.2. OMS Updates

The current petition provided the following update on the implementation of the OMS project:

Otter Tail Power completed the GIS update portion of the OMS project in May 2024. The first phase of the OMS installation was completed in December 2022. The Company completed the final go-live improvements to the OMS system, including modeling improvements as part of the GIS portion of the project, in February of 2024. Since project completion, these items have improved available outage and restoration information and communications.

The next stage of OMS development ties closely with the installation of the advanced meter infrastructure and the new CEP [Customer Experience Portal]. Meters included in the pilot were installed in December 2023. The Company began meter deployment in February 2024, and will continue deploying meters through 2025. Together, OMS, CEP, and AMI will

improve the customer experience featuring two-way communication for service outages and speeding up the restoration process. The CEP system allows customers to receive communication based on their preferences and will give customers the ability to sign up for outage and estimated restoration notifications that pertain specifically to their service.¹⁷

Page 7 of the current petition provided an update on OMS costs and savings, stating:

The total cost of the project is \$3.9 million (OTP Total) / \$1.9 million (OTP MN). The \$1.9 million is under the \$2.0 million soft cap for the Minnesota jurisdictional share.

The Department notes the OMS project appears to be on track with Otter Tail's implementation timeline and under the soft cap for the Minnesota jurisdictional share.

C. DEMAND RESPONSE (DR) SYSTEM

C.1. DR System Overview

According to Otter Tail, the Company's DR programs are core Company service offerings utilized by nearly one-third of Otter Tail customers, resulting in revenue over \$43.5 million (\$16.8 million OTP MN) in revenue in 2022.¹⁸ As noted by Otter Tail, this strong customer participation makes Otter Tail's DR portfolio one of the largest in the country by customer adoption – allows Otter Tail to control between 10-15 percent of total winter peak load, reducing overall system capacity needs, and lowering costs materially for customers. However, the Company's existing DR infrastructure is technologically obsolete, threatening the Company's ability to continue to offer DR options in the future. These programs reduce individual customer energy costs and allow Otter Tail to lower overall system energy and fuel costs for all customers and create efficiencies to the grid and generators. Other benefits for customers may include avoided generation capacity, avoided energy and transmission, frequency regulation, and emergency system protection.

The Company's DR program uses a communications network, load control switches, and a software platform to interface with customers' devices and reduce load during peak events for customers participating in DR programs. This allows Otter Tail, and customers, to save costs by interrupting load to shift or reduce load during periods of high market prices. But Otter Tail procured its current DR software in 2003 and now, more than 20 years later, the software is running unsupported from the vendor. Necessary components of Otter Tail's current DR System (communications equipment, receivers) are no longer available for purchase and run unsupported by the original manufactures. As a result, full replacement of the system is required.

¹⁷ Petition, p. 7

¹⁸ *In the Matter of Otter Tail Power Company's Petition for Approval of the Annual Update to its Electric Utility Infrastructure Rider, Rate Schedule 13.11*, Otter Tail, Initial Petition, May 3, 2024, Docket No. E-017/M-24-186 (eDockets) [20245-206370-01](#), at 7.

The project was previously introduced in Docket No. E017/M-21-382, when the EUIC was initially introduced. The Commission deferred a decision on recovery for DR costs since the project was still under development.¹⁹ Since the original filing in 2021, an internal team was formed, and the Company hired a consultant. These individuals have attended industry conferences, met with top vendors of DR programs, and interviewed other utilities across the country on their DR programs.

In the summer of 2022, initial filings for the DR project were filed in both North Dakota and South Dakota. The DR project was subsequently approved by both state commissions. In the fall of 2022, interviews were held with top vendors and ultimately two were selected, Landis + Gyr (L+G) and Open Access Technology International (OATI).

The Company gives following insight into the partnership with L+G and cost savings stemming from the AMI project:²⁰

The Company is currently partnering with L+G to provide the communications backbone used for its AMI Initiative where a Field Area Network (FAN) provides two-way communications with devices. Rigorous vetting against alternative cellular options for DR proved that the FAN procured under the AMI project added value to the DR project as the communications backbone.

Further into discovery, it was determined that the meters deployed under the AMI project could potentially replace a portion of the existing LCDs in the field for a select group of rates. This discovery has the potential to reduce the overall cost of the DR project and optimize asset management to the benefit of the DR program.

OATI will provide the Demand Response Management System (DRMS) used “for the analytics needed to interface with organized markets and effectively hedge against the costs of high market prices.”²¹ They are able to integrate data for Otter Tail’s operators to coordinate multiple technologies from multiple vendors.

The Company is also working with the University of Minnesota at Morris (UMN Morris) on a flow state battery project. It “is a first in edge system (endpoints on the system such as meter and substations)

¹⁹ *In the Matter of Otter Tail Power Company’s Petition to Implement Electric Utility Infrastructure Cost Recovery Rider for Advanced Metering Infrastructure (AMI) / Outage Management System (OMS) / Demand Response (DR) System, Rate Schedule 13.11*, Minnesota Public Utilities Commission, Order, August 4, 2022, Docket No. E017/M-21-382, (eDockets) [20228-188102-01](#) at Order Point 4.

²⁰ *In the Matter of Otter Tail Power Company’s Petition for Approval of the Annual Update to its Electric Utility Infrastructure Rider, Rate Schedule 13.11*, Otter Tail, Initial Petition, May 3, 2024, Docket No. E-017/M-24-186 (eDockets) [20245-206370-01](#), at 9.

²¹ *In the Matter of Otter Tail Power Company’s Petition for Approval of the Annual Update to its Electric Utility Infrastructure Rider, Rate Schedule 13.11*, Otter Tail, Initial Petition, May 3, 2024, Docket No. E-017/M-24-186 (eDockets) [20245-206370-01](#), at 10.

innovation and control for the Company.”²² Collaboration with UMN Morris requires the Company to purchase a system to interface with the battery software. OATI has included this expense in their bid for the project, as they will be collaborating with UMN Morris.

In its January 8, 2025 Order, the Commission approved Otter Tail’s request to recover costs related to the implementation of DR, and required the Company to report all metrics (as outlined in the Company’s August 23, 2024 reply comments) in its annual EUIC petitions, or explain why reporting for a given metric was not possible.²³ In addition, the Commission approved Otter Tail’s proposed DR system costs with a soft cost cap, as filed in the Company’s January 7, 2025 trade secret filing, that reflects the Company’s ability to use AMI meters for water heating load control customers and the use of 26,000 load control switches. The Commission also states in Order Point 4:

In the event that Otter Tail can demonstrate that additional load control switches of 14,000 (for a total of 40,000 load control switches) are necessary, the Company may request additional recovery of DR project costs in a future EUIC rider filing. Otter Tail must not recover costs exceeding the approved soft cap unless it shows in its next rate case by clear and convincing evidence that the additional costs were reasonable, prudent, and beyond Otter Tail’s control.

C.2. DR Updates

In its current petition, Otter Tail states that while its project team will participate in workshops later in 2025 to outline the project requirements for the meter-based control functionality, neither the vendor nor the Company have used AMI meters in this capacity previously. Otter Tail states testing of the proposed functionality is estimated to take place after mid-2026.²⁴

The Company states it expects to begin implementing the DR System in the third quarter of 2026, with project completion anticipated in mid-2028.

Page 8 of the current Petition provides an update on DR costs, stating:

The projected total cost of the project is **[TRADE SECRET DATA HAS BEEN EXCISED]**, which is under the soft cap of **[TRADE SECRET DATA HAS BEEN EXCISED]**.

As testing has not yet begun and is expected to take place after mid-2026, The Department requests Otter Tail provide an update of the DR System project in its 2026 EUIC Rider filing for review.

²² *Id.*

²³ *In the Matter of Otter Tail Power Company’s Petition for Approval of the Annual Update to its Electric Utility Infrastructure Rider, Rate Schedule 13.11*, Minnesota Public Utilities Commission, January 8, 2025, Docket No. E017/M-24-186 (eDockets) [20251-213711-01](#), at Order Point 2.

²⁴ Petition, p. 7.

Currently, the Company states the total cost of the project is under the soft cap that was put in place in the January 8, 2025 Commission [Order](#) Point 4.

C.2.1. Additional Funding for the DR Project

Page 8 of the current petition also provided an update regarding Otter Tail's request for additional funding for the DR project:

Otter Tail Power submitted an application to the U.S. Department of Energy (DOE) on May 23, 2024, and to the Minnesota State Competitiveness Fund for a project called Innovative Distributed Energy Automation (IDEA). The project application primarily focused on the DR project but also included a funding request for electric buses in Minnesota and fast charging for electric vehicles in Minnesota, North Dakota, and South Dakota.

The Minnesota State Competitiveness Fund selected Otter Tail Power to potentially receive Minnesota State Competitiveness dollars of up to approximately \$1.0 million for the IDEA projects, contingent on the Company also receiving DOE funding for the project. On October 10, 2024, the DOE selected Otter Tail Power to begin negotiations with the DOE for DR project funding. However, due to recent federal administration changes, the DOE placed the negotiations on a pause on February 3, 2025. The DOE has indicated they are awaiting additional implementation guidance before continuing negotiations.

To date, no federal funding has been authorized for the DR project. Therefore, the revenue requirement for the next recovery period does not factor in any external funding. The Company's January updated draft budget submitted to the DOE included a request for 20 percent reimbursement from the DOE for DR project activities. Once Otter Tail Power completes negotiations with the DOE, projected funding amounts will likely be adjusted. Assuming the Company's DR project is funded by the DOE, any reimbursement from the DOE will be passed through as a credit to reduce the total project costs, reducing the revenue requirement for rate payers.

The Department requested Otter Tail to provide an update on potential additional funding for the DR System project, and the Company responded that as of June 16, 2025 no new update was available, but the Company is hopeful to hear back on potential U.S. Department of Energy Innovative

Distributed Energy Automation (IDEA) funding in the next four to six weeks.²⁵ The Department requests Otter Tail provide an update on funding from DOE in its reply comments.

D. BEMIDJI CUSTOMER SERVICE CENTER (CSC) REMODEL

D.1. Bemidji CSC Remodel Overview

Otter Tail stated it operates CSCs with staff throughout Minnesota, with locations in Bemidji, Crookston, Fergus Falls, and Morris. The facilities provide space for line and service operations, vehicle garage space, office space, and conference rooms. In 2024, the Company purchased a warehouse to be used as a line and service center in Bemidji, Minnesota to accommodate growing needs for line and service operations, as well as space for company vehicles to transfer from CSC garage space to the warehouse.

Page 9 of the current petition outlines the Company's proposal, stating:

The Company proposes to remodel the office area and garage space in the existing Bemidji CSC to alleviate office space constraints and provide a more energy and operationally efficient space for office personnel. In years past, 10-12 employees were typically located in the Bemidji CSC at any given time. With the introduction of remote work capabilities, office roles that were previously restricted to specific locations, such as Fergus Falls, Minnesota, can now be done remotely from other Company locations. This has expanded the pool of applicants for certain office roles and increased the number of employees in the CSC locations.

The Bemidji CSC area currently has 17 Otter Tail Power office employees that require office space. The Company prioritizes equality and fairness, while maintaining consistent policies and providing similar work experiences for all employees at the same level. For reference, Otter Tail Power's hybrid work from home policy requires employees to work in the office at least three days per week. Although the location can accommodate 15 of the 17 current employees, space constraints at the Bemidji CSC limit the Company's ability to provide equal treatment for these similarly situated employees. The remaining employees near the Bemidji CSC work remotely full-time due to the lack of office space, though they would work in the office if space allowed. This has led to employee dissatisfaction due to unequal work requirements among employees doing similar types of jobs. Further, the Bemidji CSC main level can only accommodate 12 employees, and while there are three cubicles in the basement, these locations are isolated, and the conditions are less

²⁵ Department Attachment 2.

desirable. Over the past three to four years, roles that were typically based out of the Fergus Falls office are now able to be filled at the Company's other CSC locations. Based on the growth at office locations outside of Fergus Falls, the Company seeks to proactively make additional office space available for future growth at this location.

In addition to needing more space for local employees, the Bemidji CSC was built in 1965 and requires several updates. Existing bathrooms have insufficient ventilation, peeling wallpaper, and dated tile. There are no sprinklers in the building at this time, the installation of which would limit potential loss in the case of a fire. This location also lacks a mothers' room, which will be added to the building, and which the Company is required to provide by law.

Otter Tail states that the remodel of the Bemidji CSC will help improve energy efficiency, allow workable space for all employees, and comply with laws. The Company estimated \$5.5 million cost to build a similarly sized office building.²⁶

D.2. Eligibility Determination

The Department notes that the eligibility determination of projects included in an EUIC Rider petition is separate and apart from the eligibility determination of whether energy savings from those projects can be included in a utility's Conservation Improvement Program (CIP). [Minn. Stat. §216B.241, subd. 1c\(d\)](#) stipulates that a utility may achieve its 1.75 percent annual energy savings goal, in part, from "electric utility infrastructure projects approved by the commission under section [216B.1636](#) that result in increased efficiency greater than that which would have occurred through normal maintenance activity...."

The Deputy Commissioner of the Department of Commerce issued a [Guidance Document](#) on October 22, 2018, in Docket No. E999/CIP-18-543, which describes how to determine "normal maintenance" activities, an EUI project's baseline energy use, and a step-by-step process to help standardize how EUI projects are reviewed and approved for CIP energy savings credit.

The Department's analysis in the EUIC Riders generally is concerned only with a determination of whether the proposed projects are eligible for inclusion in a EUIC Rider, and not whether the same projects can be included in a utility's CIP. The Department's "EUIC Rider eligibility determination" does not prejudice the Deputy Commissioner's "CIP Eligibility Determination." For all "CIP Eligibility Determinations," a utility must follow the Deputy Commissioner's process as outlined in the Guidance Document if the utility seeks to include EUIC Rider projects in its CIP.

²⁶ Petition, p. 10.

D.3. Statutory Requirements

[Minn. Stat. §216B.1636](#) specifies five requirements for approval:

- 1) The rider must only include costs that were not in Otter Tail's rate base in the Company's most recent general rate case, per Minn. Stat. §216B.1636 subd. 1(b);
- 2) Otter Tail must show that the associated projects increase energy conservation or efficiency, consistent with Minn. Stat. §216B.241, subd. 1c, by replacing or modifying existing electric utility infrastructure, per Minn. Stat. §216B.1636, subd. 1(c);
- 3) Otter Tail must not have submitted another request under Minn. Stat. §216B.1636 at any other time this year, per Minn. Stat. §216B.1636, subd. 2(b)(1);
- 4) Otter Tail must submit all required information required under Minn. Stat. §216B.1636 subd. 2(b)(2); and
- 5) Otter Tail must show that the rider is in the public interest by, at minimum, providing a justification of the proposed rate design, per Minn. Stat. §216B.1636, subd. 2(b)(2)(v), and a cost-benefit analysis of the project, per Minn. Stat. §216B.1636, subd. 2(b)(2)(xi).

The Department reviews each of these requirements regarding the Bemidji CSC remodel project in the following subsections.

- i. The rider must only include costs that were not in Otter Tail's rate base in the Company's most recent general rate case, per Minn. Stat. §216B.1636 subd. 1(b)*

The Department reviewed the most recent OTP rate case in Docket No. E017/GR-20-719 that was approved by the Commission at the November 4, 2021, Commission agenda meeting. The capital costs specifically for the Bemidji CSC Remodel Project represents expenditures for property updates that were not included in the most recent rate case, and can be reasonably considered incremental from that included in base rates.

The Department concludes that including the Bemidji CSC Remodel Project in the EUIC Rider will effectively only include costs that were not in Otter Tail's rate base in the Company's most recently approved general rate case in Docket No. E017/GR-20-719.

- ii. *Otter Tail must show that the associated projects increase energy conservation or efficiency, consistent with Minn. Stat. §216B.241, subd. 1c, by replacing or modifying existing electric utility infrastructure, per Minn. Stat. §216B.1636, subd. 1(c)*

The Bemidji CSC Remodel Project would upgrade an existing, technologically obsolete and space constrained Customer Service Center. The proposed remodel would allow more office space to help OTP employees meet Company in office requirements, and provide several needed updates to the building. The proposed remodeling is also stated as necessary in order to improve energy efficiency.²⁷

The Company noted the remodel project incorporates a number of energy efficient features, such as installing skylights, insulation measures, energy efficient fan motors, new cold climate heat pumps, and LED lighting fixtures.²⁸

Based on our review, the Department concludes that the Bemidji CSC Remodel **satisfies this requirement.**

- iii. *Otter Tail must not have submitted another request under Minn. Stat. §216B.1636 at any other time this year, per Minn. Stat. §216B.1636, subd. 2(b)(1)*

The Department reviewed all Otter Tail petitions submitted in 2025. The petition in this case is the only one relating to a request under Minn. Stat. §216B.1636. **Therefore, this requirement is satisfied.**

- iv. *Otter Tail must submit all required information required under Minn. Stat. §216B.1636 subd. 2(b)(2)*

As noted above, Minn. Stat. §216B.1636, subd. 2(b)(2) lists eleven filing requirements. The Department reviewed the Company's petition for compliance with each filing requirement for the Bemidji CSC Remodel.

The first filing requirement is "the location, description, and costs associated with the project." Otter Tail provided this information on page 11 and Attachment 9 of its petition. The Company provided a breakdown of costs associated with the project in response to the Department IR #3, with an estimated project cost of \$2,703,000.²⁹ **Therefore, the first filing requirement is satisfied.**

The second filing requirement is "evidence that the electric utility infrastructure project will conserve energy or use energy more efficiently than similar utility facilities currently used by the electric utility." Otter Tail provided this information on page 11 through 13 of this petition and in the business case of the filing which is analyzed in the subsequent section of these comments. **Therefore, the projects will**

²⁷ Petition, p. 10.

²⁸ Petition, pp. 11-13, Table 1 on p. 13, and Attachment 13a.

²⁹ Department Attachment 3.

use energy more efficiently than similar utility facilities currently used by Otter Tail and the second filing requirement is satisfied.

The third filing requirement is “the proposed schedule for implementation.” Otter Tail provided this information on page 13 of its petition, stating the remodel began in February 2025, and is expected to be completed by October 2025. **Therefore, the third filing requirement is satisfied.**

The fourth filing requirement is “a description of the costs, and salvage value, if any, associated with the existing infrastructure replaced or modified as a result of the project.” Otter Tail provided this information on page 13 of its petition, stating a current assessed value of \$641,200. **Therefore, the fourth filing requirement is satisfied.**

The fifth filing requirement is “the proposed rate design and an explanation of why the proposed rate design is in the public interest.” Otter Tail provided this information on page 14 of the petition, which notes that remodel costs be allocated to all customers, based on weighted average costs of the meters per class.³⁰ **Therefore, the fifth filing requirement is satisfied.**

The sixth filing requirement is “the magnitude and timing of any known future electric utility projects that the utility may seek to recover under this section.” Otter Tail indicated on Table 2 “Upcoming EUIC Projects” on page 14 of the petition that additional CSC Remodel projects are planned the future. **Therefore, the sixth filing requirement is satisfied.**

The seventh filing requirement is “the magnitude of EUIC in relation to the electric utility's base revenue as approved by the commission in the electric utility's most recent general rate case, exclusive of fuel cost adjustments.” Otter Tail provided this information on pages 14 and 15 of its petition in relation to the Company's most recent approved rate case (Docket No. E017/GR-20-719), which shows the EUIC tracker revenue for all projects is approximately \$2.1 million compared to the base annual revenue of \$209.0 million. **Therefore, the seventh filing requirement is satisfied.**

The eighth filing requirement is “the magnitude of EUIC in relation to the electric utility's capital expenditures since its most recent general rate case.” Otter Tail provided this information on page 15 of the petition, summarized in Table 3 “Net Capital Additions (OTP Total)” from 2021 – 2024. **Therefore, the eighth filing requirement is satisfied.**

The ninth filing requirement is “the amount of time since the utility last filed a general rate case and the utility's reasons for seeking recovery outside of a general rate case.” On page 15 of Otter Tail's petition, the Company stated that the proposed projects were not included in its most recent rate case (filed November 2, 2020) because they were neither contemplated, completed nor in-service prior to the end of the case in 2021. **Therefore, the ninth filing requirement is satisfied.**

³⁰ The Company notes that controlled service customers are paying for their share of remodel costs through a meter charge applied to their base rate electric service meters.

The tenth filing requirement is “documentation supporting the calculation of the EUIC.” Otter Tail provided the tracker it would use to calculate the EUIC rate in Attachments 1 through 12 of the petition, with Attachment 9 providing calculation providing 2025 and 2026 calculations for the Bemidji CSC Remodel specifically. **Therefore, the tenth filing requirement is satisfied.**

The eleventh and final filing requirement is a “cost and benefit analysis.” Otter Tail’s petition provides a summary-level information related to costs and benefits of the proposed projects on pages 16 through 20. **Therefore, the eleventh filing requirement is satisfied.**

- v. *Otter Tail must show that the rider is in the public interest by, at minimum, providing a justification of the proposed rate design, per Minn. Stat. §216B.1636, subd. 2(b)(2)(v), and a cost-benefit analysis of the project, per Minn. Stat. §216B.1636, subd. 2(b)(2)(xi)*

a. *Rate Design*

Otter Tail uses a monthly per meter charge rate design for the EUIC rider. The proposed calculation, like the AMI and OMS projects, will determine the average cost per meter for materials and labor for each customer class. The weighted average cost per customer class is then used to determine the percentage of project costs to be charged to each class. The weighted average cost per class divided by the average annual number of meters per class equals the monthly per meter charge.

Otter Tail’s Attachment 1 provides the Projected Revenue Requirements by Customer Class for 2026. The Department notes that Otter Tail’s Attachment 3 shows a proposed per meter rate of \$1.29 per month and as a result \$15.48 per year rate for 2026 for residential customers with an estimated implementation date of January 1, 2026. This is a \$1.18 per month and as result a \$14.16 per year rate decrease for residential customers compared to 2025 rates. This rate decrease accounts for all projects in the EUIC, including the Bemidji and Milbank CSC Remodel.

In our review of the Bemidji CSC Remodel, the Department compared the Bemidji CSC Remodel project’s 2026 revenue requirement with the other ongoing projects’ revenue requirements in the EUIC Rider. Given the small nature for the two CSC remodel projects (\$312,971 combined) relative to the other projects, the Department is comfortable in keeping the rate design the same.³¹ Therefore, OTP’s use of a fixed per meter charge that assigns material and operating costs for meters to each class, is a reasonable rate design method that fairly assigns costs to the appropriate customer classes. Based on our review, the Department considers Otter Tail’s fixed per meter charge to be consistent with the rate design for the other projects included in this EUIC filing. The Department concludes that Otter Tail’s proposed rate design of a fixed per meter charge assigned to appropriate customer classes is reasonable.

³¹ Petition, Attachment 4, p. 2.

b. Rate Application

Consistent with the other projects in the EUIC, Otter Tail proposed that the EUIC be applicable to electric service meters under all of Otter Tail's retail rate schedules, as defined in Rate Schedule 13.11. Otter Tail stated that charges for the current petition will be included as part of the Resource Adjustment line on customers' bills.³² Otter Tail's customer notice on Attachment 16 of its petition shows the applicable tariff section where the EUIC charge for each customer class can be found. Attachment 16 reflects the rate schedule for all projects in the EUIC, not just the proposed Bemidji and Milbank CSC Remodel.

Based on the Department's review, we consider Otter Tail's rate application and customer billing to be shown on the Resource Adjustment line to be reasonable and consistent with past approved EUIC rider petitions.

c. Cost-Benefit Analysis

The Department reviewed Otter Tail's petition and responses to Department information requests for information related to a cost-benefit analysis (CBA) of the Bemidji CSC Remodel proposal.

Attachment 9 of the petition provides the 2025 actual and projected expenses and the 2026 projected expenses for the Bemidji CSC Remodel project. Otter Tail states they approach CBA in a similar way to how it evaluates its Portfolio of ECO Programs, using the Minnesota Cost Test (MCT)³³. This test provides CBA analysis for the CSC remodel projects in showing the overall benefit to the public interest, a different approach than in previously requested EUIC projects. This analysis is supported with figures that identify the costs, benefits, and other expenses related to the Bemidji CSC Remodel project from 2025 through 2049.³⁴ Otter Tail's Table 4 lists **[TRADE SECRET DATA HAS BEEN EXCISED]**. The Department concludes the cost-benefit analysis is reasonable.

D.4. Review of Bemidji CSC Remodel Business Case and Cost Recovery Cap

Otter Tail states the following in using the MCT to analyze the business case and CBA of the Bemidji CSC Remodel:

The MCT is an extension of the five standard cost tests to take a unique perspective of the impacts ECO programs have on the state of Minnesota.³⁵ As a part of the MCT development, the Department outlined several factors for utilities to include as a part of the inputs to be used in the MCT benefit/cost analysis. While the majority of the MCT inputs have

³² Petition, p. 32.

³³ *In the Matter of 2024-2026 CIP Cost-Effectiveness Methodologies for Electric and Gas Investor-Owned Utilities*, Department, Decision, March 31, 2023, Docket No. E,G999/CIP-23-46 (eDockets) [20233-194403-01](#), at 37.

³⁴ Petition, p. 17, Table 4.

³⁵ Petition, p. 16, footnote 4.

been quantified or approved by the Department previously, there are some inputs that are still being explored and evaluated by the ECO Cost Effectiveness Advisory Committee, including economic impacts and other environmental impacts. In line with the MCT and its ongoing development, Otter Tail Power includes six quantified benefit categories and the entire cost of the project in its analysis.³⁶

The Company outlines the energy benefits, environmental benefits, economic impact, non-energy benefits, and project costs in its business case and CBA analysis.

D.4.1. Energy Benefits

Otter Tail states its calculation of energy benefits are composed of Avoided Energy, Avoided Capacity, and Avoided Transmission and Distribution, quantified using DSMore evaluation software.³⁷ The Company explains that these benefits are derived from kWh and kW savings over the life of the energy efficiency measures being installed at the Bemidji CSC through the remodel project, which are discussed in the petition's Attachment 13a. The Energy Analysis, completed by Michaels Energy, identifies annual savings in upgrades to interior lighting fixtures, exterior lighting wattage upgrades, lighting controls upgrades, and upgraded mechanicals including a new electric water heater, exhaust fan, heat pumps with fan coils, packaged rooftop unit and energy recovery unit, yielding an estimated total energy savings of 57,261 kWh annually.³⁸

D.4.2. Economic Impact

Otter Tail states they believe there are Minnesota statewide economic benefits in implementing energy efficiency projects and programs in the public utility industry. The Company cites a June 2020 study performed by CADMUS (on behalf of the Department), that focused on the economic impact that Conservation Improvement Plan (CIP) spending has on employment, labor force, output, GDP/Value-Added, and Disposable Income.³⁹ The Company states:

Otter Tail Power sees economic value within its own operations with the ability to increase the number of Bemidji-based employees who will fill the newly available workspaces within its CSC. Given that employees spend a large portion of their days within the office, Otter Tail Power anticipates seeing economic value in increased productivity from working in a more

³⁶ Petition, pp. 16-17.

³⁷ Petition, p. 18.

³⁸ Petition, Attachment 13a, p. 3 table.

³⁹ CADMUS, [Economic Impacts of the 2013-2018 Conservation Improvement Program: Macroeconomic Impacts and Cost Effectiveness](#) June 26, 2020.

comfortable, energy efficient building with improved lighting and additional space.⁴⁰

Otter Tail also gives annual quantified economic impacts for 2025-2034, provided in petition Attachment 13b.

D.4.3. Non-Energy Benefits

Otter Tail states:

Enhanced office buildings can lead to increased lighting quality, noise reduction, and thermal comfort. Office improvements can also lead to increased employee satisfaction, reduced complaints, and reduced missed workdays. Aside from comfort benefits, upgraded energy efficient buildings can lead to health benefits because of improved air quality.⁴¹

The Company notes their analysis of non-energy benefits assumes a five percent adder to account for non-energy benefits, applied to the monetary value calculated for avoided energy, capacity, and avoided transmission and distribution. The annual quantified amount for non-energy benefits for 2025-2049 is provided in petition Attachment 13b.

D.4.4. Project Costs

Otter Tail provides project costs in petition attachment 13b, based on a start year of 2025. The Company states while not typically included in MCT analysis, they provided expected project costs from the start of design through the end of construction of \$2.7 million as a reference for consideration.

The Department requested a breakdown of Bemidji CSC Remodel project costs attributable to the energy upgrades listed on pages 11 through 12 of the current petition and in IR #4. Otter Tail provided an itemized list of estimated energy upgrade costs for the project, totaling \$359,270.⁴² Based on the statutory definition of electric utility infrastructure project, outlined in [Minn. Stat. 216B.1636](#), the Department recommends the inclusion of only the estimated energy upgrade project costs for the Bemidji CSC Remodel project in the EUIC recovery rider of \$359,270 at this time. However, the Department notes that in response to Department IR #4, the Company provides information regarding potential additional energy efficient upgrade costs that will be completed by the general contractor, but lacks specificity.⁴³ The Department requests Otter Tail provide an additional specific breakdown of

⁴⁰ Petition, p. 19.

⁴¹ Petition, p. 20.

⁴² Department Attachment 4.

⁴³ Department attachment 4, p.2.

energy efficient upgrade costs that will be completed by the general contractor for the Bemidji CSC Remodel project in reply comments, for review and consideration.

Additionally, at this time, the Department recommends that the Commission approve a soft cap of \$359,270 for the Bemidji CSC Remodel project. This soft cap represents the total estimated energy upgrades in the project cost, however, the Department will review any additional information that Otter Tail provides in reply comments, and may adjust the soft cap as a result. The Department also recommends the Commission require Otter Tail to identify and track all savings or resulting revenues associated with the Bemidji CSC Remodel project, to ensure they are included in the EUIC Rider, and explain any discrepancy between forecasted savings and actual savings.

E. MILBANK CUSTOMER SERVICE CENTER REMODEL

E.1. Milbank CSC Remodel Overview

Otter Tail, as previously mentioned, operates CSCs with staff throughout Minnesota, North Dakota, and South Dakota. The Company's sole South Dakota CSC facility was constructed in March 2024 and is located in Milbank, within ten miles of the Minnesota border. This facility provides space for line and service operations supporting Otter Tail's South Dakota and southern Minnesota customers. The Milbank facility currently contains vehicle garage space, general office space, and a conference room.⁴⁴

Page 21 of the current petition outlines the Company's proposal, stating:

The Company proposes to remodel the office area and garage space in the existing Milbank CSC to alleviate office space constraints and provide a more operationally and energy efficient facility. In years past, 10-12 office employees were typically located in the Milbank CSC at any given time. As discussed earlier, the introduction of remote work capabilities now allows office roles that were previously mandated to specific locations to be done remotely from other Company locations. There are currently 21 Otter Tail employees assigned to the Milbank CSC; however, space limitations allow for only 16 employees at this location. This results in some employees setting up offices in the community room and other employees working remotely.

The Milbank CSC was built in 1986 and requires several updates. Existing bathrooms have insufficient ventilation, peeling wallpaper, and dated tile. There are no sprinklers in the building at this time, the installation of which would limit potential loss in the case of a fire. The remodel project at this location will also include asbestos abatement, HVAC system improvements

⁴⁴ Petition, p. 21.

to enhance air quality, and the addition of a mothers' room, which the Company is required to provide by law.

Otter Tail states the Milbank CSC Remodel is needed to improve energy efficiency, allow workable space for all employees, and to comply with current laws. The cost to build a new office building of similar size is approximately \$5.5 million.

E.2. Eligibility Determination

The Department notes that the eligibility determination of projects included in an EUIC Rider petition is separate and apart from the eligibility determination of whether energy savings from those projects can be included in a utility's Conservation Improvement Program (CIP). Minn. Stat. §216B.241, subd. 1c(d) stipulates that a utility may achieve its 1.75 percent annual energy savings goal, in part, from "electric utility infrastructure projects approved by the commission under section 216B.1636 that result in increased efficiency greater than that which would have occurred through normal maintenance activity....".

The Deputy Commissioner of the Department of Commerce issued a Guidance Document on October 22, 2018, in Docket No. E999/CIP-18-543, which describes how to determine "normal maintenance" activities, an EUI project's baseline energy use, and a step-by-step process to help standardize how EUI projects are reviewed and approved for CIP energy savings credit.

The Department's analysis in the EUIC Riders generally is concerned only with a determination of whether the proposed projects are eligible for inclusion in a EUIC Rider, and not whether the same projects can be included in a utility's CIP. The Department's "EUIC Rider eligibility determination" does not prejudice the Deputy Commissioner's "CIP Eligibility Determination." For all "CIP Eligibility Determinations," a utility must follow the Deputy Commissioner's process as outlined in the Guidance Document if the utility seeks to include EUIC Rider projects in its CIP.

E.3. Statutory Requirements

Minn. Stat. §216B.1636 specifies five requirements for approval:

- 1) The rider must only include costs that were not in Otter Tail's rate base in the Company's most recent general rate case, per Minn. Stat. §216B.1636 subd. 1(b);
- 2) Otter Tail must show that the associated projects increase energy conservation or efficiency, consistent with Minn. Stat. §216B.241, subd. 1c, by replacing or modifying existing electric utility infrastructure, per Minn. Stat. §216B.1636, subd. 1(c);
- 3) Otter Tail must not have submitted another request under Minn. Stat. §216B.1636 at any other time this year, per Minn. Stat. §216B.1636, subd. 2(b)(1);

- 4) Otter Tail must submit all required information required under Minn. Stat. §216B.1636 subd. 2(b)(2); and
- 5) Otter Tail must show that the rider is in the public interest by, at minimum, providing a justification of the proposed rate design, per Minn. Stat. §216B.1636, subd. 2(b)(2)(v), and a cost-benefit analysis of the project, per Minn. Stat. §216B.1636, subd. 2(b)(2)(xi).

The Department reviews each of these requirements regarding the Milbank CSC remodel project in the following subsections.

- i. The rider must only include costs that were not in Otter Tail's rate base in the Company's most recent general rate case, per Minn. Stat. §216B.1636 subd. 1(b)*

The Department reviewed the most recent OTP rate case in Docket No. E017/GR-20-719 that was approved by the Commission at the November 4, 2021, Commission agenda meeting.

The capital costs for the Milbank CSC Remodel Project represents expenditures for property updates that were not included in the most recent rate case, and can be reasonably considered incremental from that included in base rates.

The Department concludes that including the Milbank CSC Remodel Project in the EUIC Rider will effectively only include costs that were not in Otter Tail's rate base in the Company's most recently approved general rate case in Docket No. E017/GR-20-719.

- ii. Otter Tail must show that the associated projects increase energy conservation or efficiency, consistent with Minn. Stat. §216B.241, subd. 1c, by replacing or modifying existing electric utility infrastructure, per Minn. Stat. §216B.1636, subd. 1(c)*

The Milbank CSC Remodel Project would upgrade an existing, technologically obsolete and space constrained Customer Service Center. The proposed remodel would allow more office space to help OTP employees meet Company in office requirements, and provide several needed updates to the building including sufficient bathroom ventilation, sprinklers, etc. The proposed remodeling is also stated as necessary in order to improve energy efficiency.⁴⁵

The Company noted the remodel project will also include asbestos abatement, electrical system improvements, HVAC system improvements for better air quality, installation of a sprinkler, and other improvements.⁴⁶

Based on our review, the Department concludes that the Bemidji CSC Remodel **satisfies this requirement.**

⁴⁵ Petition, p. 21.

⁴⁶ Petition, pp. 21-22.

- iii. *Otter Tail must not have submitted another request under Minn. Stat. §216B.1636 at any other time this year, per Minn. Stat. §216B.1636, subd. 2(b)(1)*

The Department reviewed all Otter Tail petitions submitted in 2025. The petition in this case is the only one relating to a request under Minn. Stat. §216B.1636. **Therefore, this requirement is satisfied.**

- iv. *Otter Tail must submit all required information required under Minn. Stat. §216B.1636 subd. 2(b)(2)*

As noted above, Minn. Stat. §216B.1636, subd. 2(b)(2) lists 11 filing requirements. The Department reviewed the Company's petition compliance with each filing requirement for the Milbank CSC Remodel.

The first filing requirement is "the location, description, and costs associated with the project." Otter Tail provided this information on pages 22 through 23 and Attachment 10 of its petition. The Company provided a breakdown of costs associated with the project in response to the Department IR #5, with an estimated project cost of \$3,315,000.⁴⁷ **Therefore, the first filing requirement is satisfied.**

The second filing requirement is "evidence that the electric utility infrastructure project will conserve energy or use energy more efficiently than similar utility facilities currently used by the electric utility." Otter Tail provided this information on pages 23 through 24 of this petition and in the business case of the filing which is analyzed in the subsequent section of these comments. **Therefore, the projects will use energy more efficiently than similar utility facilities currently used by Otter Tail and the second filing requirement is satisfied.**

The third filing requirement is "the proposed schedule for implementation." Otter Tail provided this information on page 24 of its petition, stating the project is expected to start in October 2025 and be completed by April 2026. **Therefore, the third filing requirement is satisfied.**

The fourth filing requirement is "a description of the costs, and salvage value, if any, associated with the existing infrastructure replaced or modified as a result of the project." Otter Tail provided this information on page 24 of its petition, stating a current assessed value for the Milbank CSC of \$302,403. **Therefore, the fourth filing requirement is satisfied.**

The fifth filing requirement is "the proposed rate design and an explanation of why the proposed rate design is in the public interest." Otter Tail provided this information on pages 24 through 25 of the petition, which notes that remodel costs be allocated to all customers, based on weighted average costs of the meters per class.⁴⁸ **Therefore, the fifth filing requirement is satisfied.**

⁴⁷ Department Attachment 5.

⁴⁸ The Company notes that controlled service customers are paying for their share of remodel costs through a meter charge applied to their base rate electric service meters.

The sixth filing requirement is “the magnitude and timing of any known future electric utility projects that the utility may seek to recover under this section.” Otter Tail indicated on Table 2 “Upcoming EUIC Projects” on page 14 of the petition that additional CSC Remodel projects are planned the future.

Therefore, the sixth filing requirement is satisfied.

The seventh filing requirement is “the magnitude of EUIC in relation to the electric utility's base revenue as approved by the commission in the electric utility's most recent general rate case, exclusive of fuel cost adjustments.” Otter Tail provided this information on page 25 of its petition in relation to the Company's most recent approved rate case (Docket No. E017/GR-20-719), which shows the EUIC tracker revenue for all projects is approximately \$2.1 million compared to the base annual revenue of \$209.0 million.. **Therefore, the seventh filing requirement is satisfied.**

The eighth filing requirement is “the magnitude of EUIC in relation to the electric utility's capital expenditures since its most recent general rate case.” Otter Tail provided this information on page 15 of the petition, summarized in Table 3 “Net Capital Additions (OTP Total)” from 2021 – 2024.

Therefore, the eighth filing requirement is satisfied.

The ninth filing requirement is “the amount of time since the utility last filed a general rate case and the utility's reasons for seeking recovery outside of a general rate case.” On page 25 of Otter Tail's petition, the Company stated that the proposed projects were not included in its most recent rate case (filed November 2, 2020) because they were neither contemplated, completed nor in-service prior to the end of the case in 2021. **Therefore, the ninth filing requirement is satisfied.**

The tenth filing requirement is “documentation supporting the calculation of the EUIC.” Otter Tail provided the tracker it would use to calculate the EUIC rate in Attachments 1 through 12 of the petition, with Attachment 10 providing calculation providing 2025 and 2026 calculations for the Milbank CSC Remodel specifically. **Therefore, the tenth filing requirement is satisfied.**

The eleventh and final filing requirement is a “cost and benefit analysis.” Otter Tail's petition provides a summary-level information related to costs and benefits of the proposed projects on pages 26 through 30. **Therefore, the eleventh filing requirement is satisfied.**

- v. *Otter Tail must show that the rider is in the public interest by, at minimum, providing a justification of the proposed rate design, per Minn. Stat. §216B.1636, subd. 2(b)(2)(v), and a cost-benefit analysis of the project, per Minn. Stat. §216B.1636, subd. 2(b)(2)(xi)*

- a. *Rate Design*

Otter Tail uses a monthly per meter charge rate design for the EUIC rider. The proposed calculation, like the AMI and OMS projects, will determine the average cost per meter for materials and labor for each customer class. The weighted average cost per customer class is then used to determine the percentage of project costs to be charged to each class. The weighted average cost per class divided by the average annual number of meters per class equals the monthly per meter charge.

Otter Tail's Attachment 1 provides the Projected Revenue Requirements by Customer Class for 2026. The Department notes that Otter Tail's Attachment 3 shows a proposed per meter rate of \$1.29 per month and as a result \$15.48 per year rate for 2026 for residential customers with an estimated implementation date of January 1, 2026. This is a \$1.18 per month and as result a \$14.16 per year rate decrease for residential customers compared to 2025 rates. This rate decrease accounts for all projects in the EUIC, including the Bemidji and Milbank CSC Remodel.

In our review of the Milbank CSC Remodel, the Department compared the Milbank CSC Remodel project's 2026 revenue requirement with the other ongoing projects' revenue requirements in the EUIC Rider. Given the small nature for the two CSC remodel projects (\$312,971 combined) relative to the other projects, the Department is comfortable in keeping the rate design the same.⁴⁹ Therefore, OTP's use of a fixed per meter charge that assigns material and operating costs for meters to each class, is a reasonable rate design method that fairly assigns costs to the appropriate customer classes. Based on our review, the Department considers Otter Tail's fixed per meter charge to be consistent with the rate design for the other projects included in this EUIC filing. The Department concludes that Otter Tail's proposed rate design of a fixed per meter charge assigned to appropriate customer classes is reasonable.

b. Rate Application

Consistent with the other projects in the EUIC, Otter Tail proposed that the EUIC be applicable to electric service meters under all of Otter Tail's retail rate schedules, as defined in Rate Schedule 13.11. OTP stated that charges for the current petition will be included as part of the Resource Adjustment line on customers' bills. Otter Tail's customer notice on Attachment 16 of its petition shows the applicable tariff section where the EUIC charge for each customer class can be found. Attachment 16 reflects the rate schedule for all projects in the EUIC, not just the proposed Bemidji and Milbank CSC Remodel.

Based on the Department's review, we consider OTP's rate application and customer billing to be shown on the Resource Adjustment line to be reasonable and consistent with past approved EUIC rider petitions.

c. Cost-Benefit Analysis

The Department reviewed Otter Tail's petition and responses to Department information requests for information related to a cost-benefit analysis (CBA) of the Milbank CSC Remodel proposal.

Attachment 10 of the petition provides the 2025 actual and projected expenses and the 2026 projected expenses for the Milbank CSC Remodel project. Otter Tail states they approach CBA in a similar way to how it evaluates its Portfolio of ECO Programs, using the Minnesota Cost Test (MCT)⁵⁰.

⁴⁹ Petition, Attachment 4, p. 2.

⁵⁰ *In the Matter of 2024-2026 CIP Cost-Effectiveness Methodologies for Electric and Gas Investor-Owned Utilities*, Department, Decision, March 31, 2023, Docket No. E, G999/CIP-23-46 (eDockets) [20233-194403-01](#), at 37.

This test provides CBA analysis for the CSC remodel projects in showing the overall benefit to the public interest, a different approach than in previously requested EUIC projects. This analysis is supported with figures that identify the costs, benefits, and other expenses related to the Milbank CSC Remodel project from 2025 through 2049.⁵¹ Otter Tail's Table 7 lists **[TRADE SECRET DATA HAS BEEN EXCISED]**. The Department concludes the cost-benefit analysis is reasonable.

E.4. Review of Milbank CSC Remodel Business Case and Cost Recovery Cap

The Department notes Otter Tail states they performed the same analysis for the Milbank CSC Remodel project that it did for the Bemidji CSC Remodel projects, with all inputs and assumptions remaining the same, aside from the kWh and kW savings specific to Milbank. See 'Review of Bemidji CSC Remodel Business Case and Cost Recovery Cap' in Department comments D.4 above.

The Company outlines the energy benefits, environmental benefits, economic impact, non-energy benefits, and project costs in its business case and CBA analysis.

E.4.1. Energy Benefits

Otter Tail states its calculation of energy benefits are composed of Avoided Energy, Avoided Capacity, and Avoided Transmission and Distribution are based on Milbank lifetime savings, and the annual benefits are outlined in Attachment 14b.⁵² The Company explains that these benefits are derived from kWh and kW savings over the life of the energy efficiency measures being installed at the Milbank CSC through the remodel project, which are discussed in the petition's Attachment 14a. The Energy Analysis, completed by Otter Tail (scaled from the Bemidji CSC energy savings analysis completed by Michaels Energy to account for differences between the conditions of the two sites), identifies annual savings in upgrades to lighting retrofit and controls, roof insulation, new high efficiency heat pumps, and an energy recovery unit, yielding an estimated total energy savings of 38,635 kWh annually.⁵³

E.4.2. Economic Impact

Otter Tail states while the economic impact value for the Bemidji CSC Remodel economic impact was obtained from a Minnesota specific study, the Company understands economic impacts vary from state to state. Otter Tail uses the same \$1.30 economic value per dollar spent for the Milbank Customer Service project. The Company notes the Milbank project is a continuation of the cost-effective portfolio of energy efficiency programs it has provided in South Dakota for several years. The Company states:

⁵¹ Petition, p. 26.

⁵² Petition, p. 27

⁵³ Petition, Attachment 14a, p.2 table.

In order to present a cohesive analysis between projects and given the assumptions that Otter Tail Power made in reducing the economic value for the Bemidji project, the Company is comfortable making the same economic value assumption for the Milbank project. However, acknowledging the fact that the cost centers reside in different states and the population differential between the two towns, Otter Tail Power ran an analysis to find at which economic dollar point the project would no longer be cost effective. Given all the same assumptions, a value less than \$1.15 economic value per dollar spent, the project would no longer result in net benefits.⁵⁴

Otter Tail also gives annual quantified economic impacts for 2025-2034, provided in petition Attachment 14b.

E.4.3. Non-Energy Benefits

Otter Tail states:

The Company used the same five percent adder to account for non-energy benefits. There is not a significant difference between those benefits that will be realized between Bemidji and Milbank employees.⁵⁵

The Company notes their analysis of non-energy benefits assumes a five percent adder to account for non-energy benefits, applied to the monetary value calculated for avoided energy, capacity, and Avoided Transmission and Distribution. The annual quantified amount for non-energy benefits for 2025-2049 is provided in petition Attachment 14b.

E.4.4. Project Costs

Otter Tail provides project costs in petition attachment 14b, based on start years of 2025 and 2026. The Company has budgeted \$3.3 million for the Milbank CSC remodel project.

The Department requested a breakdown of Milbank CSC Remodel project costs attributable to the energy upgrades listed on page 23 of the current petition in IR #6. Otter Tail provided an itemized list of estimated energy upgrade costs for the project, totaling \$288,888.⁵⁶ With this estimation, the Department recommends the inclusion of only the estimated energy upgrade costs for the Milbank CSC Remodel project in the EUIC recovery rider, of \$288,888 at this time. However, the Department notes that in the Bemidji CSC Remodel project, the Company provides an additional breakdown of energy efficient upgrade costs that will be completed by the general contractor. As a result, the

⁵⁴ Petition, p. 28.

⁵⁵ Petition, p. 28.

⁵⁶ Department Attachment 6.

Department requests Otter Tail provide an additional breakdown of energy efficient upgrade costs that will be completed by the general contractor for the Milbank CSC Remodel project for review and consideration.

Additionally, at this time, the Department recommends that the Commission approve a soft cap of \$288,888 for the Milbank CSC Remodel project. This soft cap represents the total estimated energy upgrades in the project cost, however, the Department will review any additional information that Otter Tail provides in reply comments, and may adjust the soft cap as a result.⁵⁷ The Department also recommends the Commission require Otter Tail to identify and track all savings or resulting revenues associated with the Milbank CSC Remodel project, to ensure they are included in the EUIC Rider, and explain any discrepancy between forecasted savings and actual savings.

F. CAPITAL SPEND RECOVERY AND COST CAPS

F.1. AMI Capital Spend

As noted above, the Commission issued a soft cost cap on the AMI project of \$55.9 million⁵⁸ in Otter Tail total (across all jurisdictions) project capital costs, less (a) internal labor costs, and (b) external legal and consulting costs unless Otter Tail demonstrates that external legal and consulting costs are specific to the AMI project and qualify to be capitalized under GAAP.

The Department reviewed Otter Tail's compliance with the cost cap by adding up plant additions in Attachment 18 of the current petition. Summing these together, total capital additions for 2021-2026 equaled \$55.99 million which is slightly higher than the \$55.9 million cap.

Table 7: Otter Tail Proposed AMI Capital Spend Recovery (OTP Total)⁵⁹

Year	Meters	FAN	Software	Total
2020	\$103,983	\$ -	\$ -	\$103,983
2021	\$934,829	\$ -	\$ -	\$934,829
2022	\$1,777,245	\$174,827	\$2,596,279	\$4,548,351
2023	\$7,959,679	\$2,595,819	\$3,744,616	\$14,300,114
2024	\$22,773,719	(\$68,001)	\$3,091,826	\$25,797,544
2025	\$7,224,114	\$98,627	\$2,978,727	\$10,301,468
2026	\$ -	\$ -	\$ -	\$ -
2020-2026	\$40,773,569	\$2,801,272	\$12,411,448	\$55,986,289

As shown in Otter Tail's January 18, 2022, reply comments (pages 5-6 of 37), the \$55.9 million cost cap figure includes legal and consulting fees. As noted above, these costs are only recoverable if Otter Tail demonstrates that external legal and consulting costs are specific to the AMI project and qualify to be

⁵⁷ Department Attachment 6, p. 2.

⁵⁸ Otter Tail's January 18, 2022, reply comments in Docket No. E017/M-21-382, page 7 of 37, state the \$55.9 million includes \$1.5 million included in the 2021 rate case test year in Docket No. E017/GR-20-719. In contrast, as discussed in footnote 20 below, Department concludes the cost cap for OMS does not include the 2021 test year costs.

⁵⁹ Petition, Attachment 18, Excel Worksheet "AMI Components", additional CWIP.

capitalized under GAAP. According to the Company's response to the Department's IR #1, Otter Tail will remove approximately \$86,288 in total costs above the \$55.9 million soft cap in its reply comments and will not request recovery of these additional costs until the Company's next general rate case.

The Department notes AMI external and legal consulting costs were reported to be \$1,540,422 from May 2023 to June 2024 in the Company's reply comments in Docket No. E017/M-24-186.⁶⁰

The Department requests Otter Tail, through reply comments, (1) quantify the dollar amount of external and legal consulting costs from June 2024 to present, (2) demonstrate that the proposed external legal and consulting costs are specific to the AMI project and qualify to be capitalized under GAAP, and (3) provide receipts corresponding to all proposed external legal and consulting costs from June 2024 to present.

The Department will conclude if the external legal and consulting costs are specific to the AMI project and qualify to be capitalized under GAAP after reviewing the Company's reply comments.

F.2. OMS Capital Spend

As noted earlier in these comments, the Commission approved a soft cost cap of \$2,002,185 for Minnesota capital costs for OMS, representative of Otter Tail's total OMS capital costs of \$4,073,428.⁶¹

As with the AMI cost cap, the Department reviewed Otter Tail's compliance with the OMS cost cap by adding up plant additions in current petition Attachment 18, which provided Otter Tail's tracker. As shown in the table below, Otter Tail's requested recovery for Minnesota capital spending is \$1,915,247 in total, which is under the \$2,002,185 cap. Therefore, the Department concludes that Otter Tail's proposed OMS revenue requirements have complied with the OMS soft cap.

⁶⁰ *In the Matter of Otter Tail Power Company's Petition for Approval of the Annual Update to its Electric Utility Infrastructure Rider, Rate Schedule 13.11*, Otter Tail, Reply Comments, August 23, 2024, Docket No. E017/M-24-186 (eDockets) [20248-209743-01](#) at Attachment 15, p. 2.

⁶¹ Otter Tail's June 7, 2021 petition, page 16, states that the \$4 million in OTP total capital spending does not include \$1 million of GIS capital spend included in Otter Tail's 2021 test year in the base rates approved in Docket No. E017/GR-20-719. The Department therefore does not account the additional \$1 million as part of the soft cost cap.

Table 8: Otter Tail Proposed EUIC OMS Capital Spend Recovery⁶²

Year	OTP Total	Minnesota
2020	\$ -	\$ -
2021	\$ 381,439	\$ 187,485
2022	\$ 2,544,513	\$ 1,250,679
2023	\$ 190,944	\$ 93,853
2024	\$ 779,684	\$ 383,230
2025	\$ -	\$ -
2026	\$ -	\$ -
2020-2026	\$ 3,896,580	\$ 1,915,247

F.3. DR Capital Spend

As noted earlier in these comments, the Commission approved a soft cap of [TRADE SECRET DATA HAS BEEN EXCISED]. The projected total cost of the project is [TRADE SECRET DATA HAS BEEN EXCISED], which is under the soft cap of [TRADE SECRET DATA HAS BEEN EXCISED].

Table 9: Otter Tail Proposed DR Capital Spend Recovery (OTP Total)⁶³

Year	Hardware	Software Phase 1	Software Phase 2	Software Phase 3	Total
2022	\$ -	\$ 67,652	\$ -	\$ -	\$ 67,652
2023	\$ -	\$ 312,668	\$ -	\$ -	\$ 312,668
2024	\$ -	\$ 359,571	\$ -	\$ -	\$ 359,571
2025	\$ 152,339	\$1,625,592	\$ 566,501	\$ 85,600	\$ 2,430,032
2026	\$8,047,256	\$ -	\$2,734,655	\$700,024	\$11,481,935
2022-2026	\$8,199,595	\$2,365,483	\$3,301,156	\$785,624	\$14,651,858

As with the AMI and OMS cost caps, the Department reviewed Otter Tail's compliance with the DR cost cap by adding up plant additions in current petition Attachment 18, which provided Otter Tail's tracker. Summing these together, total capital additions for 2022-2026 equaled \$14,651,858, which is under the [TRADE SECRET DATA HAS BEEN EXCISED] soft cap.

⁶² Petition, Attachment 18, Excel worksheet "Att6 OMS with GIS Updates". Minnesota Share uses 49.152% P90 allocator.

⁶³ Petition, Attachment 18, Excel Worksheet "DR Components", additional CWIP.

G. PROPOSED RATES

Table 10, below, shows Otter Tail’s proposed rates from Attachment 16 of the petition.

Table 10: Otter Tail’s Proposed EUIC Rates

Service Category	Monthly \$ per Meter Charge	
	Existing	Requested
Residential	2.47	1.29
Residential RDC	5.77	3.01
Farm	7.56	3.94
Small General Service (Under 20 kW)	3.98	2.07
General Service (20kW or Greater)	15.68	8.17
General Service - TOU	25.40	13.23
Large General Service - Primary / Transmission	135.88	70.80
Large General Service - Secondary	24.60	12.82
Irrigation Service	13.33	6.94
Outdoor Lighting (Metered)	2.66	1.39
OPA (Metered)	6.61	3.44
Controlled Service Deferred Load	5.77	2.41
Controlled Service Interruptible – Self- Contained	5.88	2.45
Controlled Service Interruptible – CT Metering	26.67	11.13
Controlled Service Off Peak	7.47	3.12

Otter Tail’s rate proposal results in a zero expected tracker balance at the end of 2026. The Department agrees with Otter Tail that intending to zero-out the tracker balance 12 months following implementation of rates is a reasonable approach.

In terms of rate design and cost allocation, the Department notes that Otter Tail proposes to continue using the same jurisdictional and class allocators approved in Docket Nos. E017/M-21-382, E017/GR-20-719, E017/M-23-131, and E017/M-24-186.⁶⁴ The Department concludes it is reasonable to continue using these approved allocators, as discussed further in section J. below.

H. OVERALL REVENUE REQUIREMENTS

Otter Tail’s proposed revenue requirements as reflected in the initial petition are shown in Table 11, below.

⁶⁴ Petition, Attachment 18.

**Table 11: Otter Tail's Proposed EUIC Minnesota Revenue Requirements
– Current Petition⁶⁵**

Line	Item	2025	2026
		Actuals (Jan-Feb) + Forecast (Mar-Dec)	Forecast
[1]	AMI Rev. Req.	\$4,318,387	\$4,569,370
[2]	OMS Rev. Req.	\$571,574	\$575,266
[3]	DR Rev. Req.	\$106,845	\$645,596
[4]	Bemidji CSC Remodel Rev. Req.	\$0	\$157,171
[5]	Milbank CSC Remodel Rev. Req.	\$0	\$155,800
[6]	ADIT Preservation of Proration	\$0	\$0
[7] = [1] + [2] + [3] + [4] + [5] + [6]	Total Rev. Req. (Gross)	\$4,996,806	\$6,103,203
[8]	O&M Savings due to AMI	\$(1,981,574)	\$(2,819,023)
[9] = [7] + [8]	Net Rev. Requirements	\$3,015,232	\$3,284,180
[10]	EUIC Rider Recoveries	\$4,165,312	\$2,127,268
[11] = [9] - [10]	Tracker Balance	\$(1,150,080)	\$1,156,911
[12]	Cumulative Tracker Balance	\$(1,156,911)	\$0

Otter Tail's proposed gross revenue requirement increases by approximately \$1.1 million from 2025 to 2026, which based on the Department's review is due to (1) increase in AMI expenses, (2) addition of the DR System implementation ramping up in 2026, and (3) addition of the Bemidji and Milbank CSC Remodel projects. The operating costs for AMI are further examined below.

Table 12: Otter Tail Proposed EUIC Operating Costs⁶⁶

Year	Meters	FAN	Software	Total
2023	\$22,688	\$7,441	\$3,400	\$33,529
2024	\$540,097	\$118,476	\$105,987	\$764,560
2025	\$1,131,667	\$106,814	\$470,609	\$1,709,090
2026	\$1,246,519	\$130,605	\$538,166	\$1,915,290
Total	\$2,940,971	\$363,336	\$1,118,162	\$4,422,469

In response to DOC IR 9 in Docket No. E017/M-24-186, Otter Tail confirmed that the operating costs include annual maintenance fees for new assets and labor to run the new software systems.

Based on the Company's response and review of the Company's tracker, the Department concludes that (1) the recovery of the operating costs are reasonable and recoverable under Minn. Stat. 216B.1636, subdivision 1 and (2) the revenue requirement calculation is reasonable.

⁶⁵ Petition, Attachment 4.

⁶⁶ Petition, Attachment 18, "AMI Components"

I. REPORTING REQUIREMENTS

I.1. Performance Metrics

The Commission's August 4, 2022, Order in Docket No. E017/M-21-382 required Otter Tail, in its next EUIC rider petition, to propose and establish performance metrics to track the performance of the AMI Project and OMS Project and any other projects proposed.

The Commission's January 8, 2025, Order in Docket No. E017/M-24-186 required Otter Tail to report annually in EUIC petitions on all DR metrics included in Otter Tail's August 23, 2024 reply comments, or explain why reporting for a given metric is not possible. The current petition provided the required metrics reporting in Attachment 15 for the AMI, OMS, and DR projects. The Department therefore recommends the Commission approve Otter Tail's proposed performance metrics.

I.2. Annual Report on Grid Modernization Investments

The August 4, 2022, Order also required that Otter Tail file an annual report (in future EUIC rider petitions) on its grid modernization investments. According to the Order, the annual report should include the following information:

- an update on the scope of the grid modernization projects proposed in the EUIC rider and intended functionalities and plan for upcoming year;
- an update on the actual capital and operations and maintenance costs incurred and savings accrued compared to the forecasted amounts included in the initial filing of the EUIC rider petition;
- an update on the implementation progress of the grid modernization projects proposed compared to the planned timeline;
- an update on the products and services that the grid modernization projects proposed may enable, including any modifications to those offerings, and a summary of implementation progress;
- a discussion of how the proposed grid modernization projects relate to Otter Tail's integrated distribution plan, specifically the Commission's Planning Objectives for integrated distribution plans and Otter Tail's integrated distribution plan Filing Requirement 3.D (Otter Tail's Long-term Distribution System Modernization and Infrastructure Investment Plan); and
- an update on any performance metrics that are established in a future EUIC rider proceeding.

The Department concludes Otter Tail has provided this required information on pages 30 and 31 of the current petition.

J. JURISDICTIONAL ALLOCATOR

On page 30 of the current petition, Otter Tail states the Minnesota jurisdictional allocations are utilized based on the Commission approved rate case in Docket No. E017/GR-20-719. The Department requested Otter Tail to comment on the total company and Minnesota jurisdictional impact on revenue requirements should the Company use its most recent updated allocators. Otter Tail provided a response stating the total company revenue requirement of \$7,205,914 is not impacted by updating allocation factors, with a minimal increase of \$30,822 if the 2021 test year allocation factors were updated to 2024 actual allocation factors.⁶⁷

Based on our review, the Department supports the continued use of the approved Minnesota jurisdictional allocator from Otter Tail's most recent rate case in Docket No. E017/GR-20-719.

K. ACCUMULATED DEFERRED INCOME TAXES (ADIT)

On page 30 of the current petition, Otter Tail states:

The methodology used for proration of Federal ADIT is in adherence to United States Internal Revenue Service (IRS) rules related to proration, including recently issued IRS private letter rulings. Otter Tail Power interprets this to include proration of Federal ADIT for the (forward-looking) recovery period and, in future filings, preserving the effect of the application of the proration methodology for the true-up period. This calculation methodology is necessary to comply with Section 1.167(l)-l(h)(6)(ii) of the IRS regulations and to avoid a tax normalization violation. In annual Updates, Otter Tail Power will include a workpaper with the details of the calculation of the proration of Federal ADIT for the recovery period and whether it results in an increase or decrease to the revenue requirement.

Otter Tail provides its ADIT proration totals for 2026 in Attachment 11 of the current petition, with a revenue requirement related to the Federal ADIT proration projection of \$6,265. In Attachment 12 of the current petition, the Company provides totals for the 2025 proration preserve true-up period, with a total company revenue requirement related to the Federal ADIT proration of -\$2,812.

Based on our review, the Department agrees Otter Tail has accurately calculated its ADIT proration.

⁶⁷ Department Attachment 7.

L. MINNESOTA PUBLIC UTILITIES COMMISSION NOTICE OF COMMENT PERIOD

On May 13, 2025, the Commission filed a Notice of Comment Period, with the following topics open for comment:

- Should recovery of updated costs associated with the Advanced Metering Infrastructure (AMI), Outage Management Systems (OMS), and Demand Response (DR) System be approved? (See above Department comments in section F.)
- Should recovery of the Bemidji and Milbank Customer Service Center Remodel projects through the Company's EUIC be approved? (See above Department comments in sections D. and E.)
- Should the currently approved jurisdictional allocator be used to calculate the EUIC's revenue requirement? (See above Department comments in section J.)
- Has Otter Tail accurately calculated its Accumulated Deferred Income Taxes (ADIT) proration? (See above Department comments in section K.)
- How much should Otter Tail be allowed to recover through its EUIC? (See paragraph below.)
- Should EUIC recovery beginning on January 1, 2026 be approved? (See paragraph below.)
- Are there other issues or concerns related to this matter? (See paragraph below.)

The Department provided above analysis and recommends the recovery of updated costs associated with the AMI, OMS, and DR be approved. The Department analyzed the Bemidji and Milbank CSC Remodel projects, and recommends the recovery for the Bemidji CSC be limited to the estimated energy upgrade costs of \$359,270, and the recovery of the Milbank CSC to be limited to \$288,888, subject to additional information from Otter Tail in reply comments. The Department supports the continued use of the approved Minnesota jurisdictional allocator from Otter Tail's most recent rate case in Docket No. E017/GR-20-719. The Department agrees that Otter Tail has accurately calculated its ADIT proration. The Department recommends the Company be allowed to recover \$1,850,711⁶⁸ projected revenue requirement for 2026 and EUIC recovery to begin on January 1, 2026. The Department has no other issues or concerns.

⁶⁸ 2026 total revenue requirement of \$2,127,268 less \$150,000 (Bemidji) and \$180,000 (Milbank) in AFUDC, less \$135,054 for the Bemidji CSC that is not part of the energy efficiency projects, and \$141,443 for the Milbank CSC that is not part of the energy efficiency projects.

IV. DEPARTMENT RECOMMENDATIONS

The Department provides the following preliminary recommendations to the Commission:

- Require Otter Tail to adjust its proposed rate recovery to cap OTP total AMI capital spending at the \$55.9 million required figure.
- Require Otter Tail provide an update of the DR System project in its next EUIC Rider petition.
- The Department recommends the Commission approve a soft cost cap of the Bemidji CSC Remodel project of \$359,270 (energy efficiency upgrades only) in the EUIC Rider.
- The Department recommends the Commission approve a soft cost cap of the Milbank CSC Remodel project of \$288,888 (energy efficiency upgrades only) in the EUIC Rider.
- Require Otter Tail in its next EUIC Rider petition, and annually thereafter as the projects continue to develop and be implemented, to establish performance metrics to track the performance of the Bemidji and Milbank CSC Remodel projects in Attachment 15, along with the AMI, OMS, and DR projects. Consistent with the Commission's January 8, 2025 Order regarding approval of the DR System project, Otter Tail should also report annually on the Bemidji and Milbank CSC Remodel projects' metrics or explain why reporting for a given metrics is not possible.

The Department requests that Otter Tail provide the following in reply comments:

- Quantify the dollar amount of external and legal consulting costs from June 2024 to present.
- Demonstrate that the proposed external legal and consulting costs are specific to the AMI project and qualify to be capitalized under GAAP.
- Receipts corresponding to all proposed external legal and consulting costs from June 2024 to present.
- Provide an update on the DOE IDEA funding for the DR project.
- Provide additional information and documentation on the breakdown of general contractor energy efficiency upgrade costs for both the Bemidji CSC and Milbank CSC Remodel projects.

The Department will provide final recommendations after reviewing Otter Tail's reply comments.

Attachments

Response to Information Request MN-DOC-001
Page 1 of 2

OTTER TAIL POWER COMPANY
Docket No: E017-M-25-199

Response to: MN Department of Commerce
Analyst: Justin Taylor and Mark Johnson
Date Received: June 24, 2025
Date Due: July 07, 2025
Date of Response: July 02, 2025
Responding Witness: Amber Grenier, Manager, Regulatory Economics, 218-739-8728

Information Request:

Request Number: 1

Topic: AMI Implementation Update

Reference(s): Petition, page 6

Request:

OTP stated on page 6 that approximately 88% of meter installations were completed at the end of 2024. OTP also stated that actual costs through 2024 totaled \$45.7 million with an estimated total completion cost of \$55.9 million.

- a. Please provide an updated percentage of AMI meter completions for 2025 year-to-date.
- b. Please provide an update to the actual AMI costs through 2025 year-to-date for the AMI project.
- c. Does OTP still expect to complete its total AMI meter completion costs to be under the \$55.9 million?

Attachments: 0

Response:

- a. As of June 13, 2025, 97.9 percent of the meters had been installed.
- b. As of May 31, 2025, AMI project costs were \$49.8 million.
- c. The total AMI project cost is currently forecasted to be \$56.0 million upon completion, or approximately \$86,288 above the soft cap. In responding to this IR, Otter Tail Power noticed the additional costs were included in the Initial Filing. The Company will remove all costs above the \$55.9 million soft cap from the tracker in its Reply Comments and will not request recovery of these additional costs until the Company's next General Rate Case.

Response to Information Request MN-DOC-001
Page 2 of 2

Removing these costs from the tracker results in a \$5,364 decrease in the revenue requirement, which decreases monthly Residential rates by \$0.01 and Large General Service rates by \$0.17.

Response to Information Request MN-DOC-002
Page 1 of 1

OTTER TAIL POWER COMPANY
Docket No: E017-M-25-199

Response to: MN Department of Commerce
Analyst: Justin Taylor and Mark Johnson
Date Received: June 24, 2025
Date Due: July 07, 2025
Date of Response: July 02, 2025
Responding Witness: Amber Grenier, Manager, Regulatory Economics, 218-739-8728

Information Request:

Request Number: 2

Topic: DR Funding Update – Minnesota State Competitiveness Fund for IDEA; DOE Project Funding

Reference(s): Petition, pages 7-8

Request:

Please provide an update on the funding status from the Minnesota State Competitiveness Fund for IDEA and DOE project funding.

Attachments: 0

Response:

On Monday June 16, 2025, Otter Tail Power responded to a request from the Minnesota Department of Commerce Staff about the latest information on IDEA funding from the DOE. In this response, Otter Tail Power explained that the Company is hopeful to hear back from the DOE on the status of the funding in the next four to six weeks. Otter Tail Power understands that up to \$1,000,000 in Minnesota State Competitiveness Funds may be available for the project, contingent upon the release of DOE funding.

Response to Information Request MN-DOC-003
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OTTER TAIL POWER COMPANY
Docket No: E017-M-25-199

Response to: MN Department of Commerce
Analyst: Justin Taylor and Mark Johnson
Date Received: June 24, 2025
Date Due: July 14, 2025
Date of Response: July 14, 2025
Responding Witness: Amber Grenier, Manager, Regulatory Economics, 218-739-8728

Information Request:
Topic: Bemidji CSC Remodel Project Costs
Reference(s): Petition, pages 10-11

Request:

On page 11 of the petition, Otter Tail stated the Bemidji CSC Remodel project will result in an estimated total costs of about \$2.7 million (OTP Total). Please provide an itemized breakdown of the costs by items listed in the bullets provided on page 10.

Attachments: 0

Response:

Otter Tail Power provides an itemized list of the estimated costs for the Bemidji CSC Remodel below.

Item	Price
Telecom / PACs (i.e., phones, network, electronic access controls, security cameras, etc.)	\$35,000
Asbestos Abatement	\$55,000
Cubicles / Furniture	\$200,000
General Contractor *	\$1,930,000
Architect / Engineering / Design / Construction administration	\$264,000
AFUDC **	\$150,000
Electrical Service Panel	\$19,000
Miscellaneous (i.e., building signage, décor, etc.)	\$50,000
Total Estimated Project Cost	\$2,703,000

* Includes the following:

Response to Information Request MN-DOC-003
Page 2 of 2

- Conversion of approximately 74 percent of garage space into office space to allow for approximately 25 employees on site.
- Electrical system improvements.
- HVAC system improvements.
- Area for private phone calls.
- Installation of sound masking system.
- Replacement of fluorescent bulbs with more efficient LED lighting.
- Installation of sprinkler system, per insurance company recommendation.
- Customer Service Representative group will be together in one area of the office.
- Large windows for natural light.
- All employee offices on main level of building.
- Addition of a dedicated mother's room.

** Otter Tail Power will no longer collect AFUDC once the project is included for recovery in the EUIC tracker.

Response to Information Request MN-DOC-004
Page 1 of 2

OTTER TAIL POWER COMPANY
Docket No: E017-M-25-199

Response to: MN Department of Commerce
Analyst: Justin Taylor and Mark Johnson
Date Received: June 24, 2025
Date Due: July 14, 2025
Date of Response: July 14, 2025
Responding Witness: Amber Grenier, Manager, Regulatory Economics, 218-739-8728

Information Request:
Topic: Bemidji CSC Remodel Project – Energy Upgrades
Reference(s): Petition, pages 11-12

Request:

Please confirm how much of the overall \$2.7 million estimated costs of the Bemidji CSC Remodel is attributable to the energy upgrades listed in the bullets on pages 11-12.

Attachments: 0

Response:

Otter Tail Power provides an itemized list of estimated prices for the Bemidji CSC Remodel attributable to energy upgrades below.

Item	Price
Three factory-assembled skylights that take advantage of natural lighting and reduce lighting systems energy use.	\$10,950
Insulated tempered glazing glass on the east and north side of the building, and energy efficient windows throughout the building, reducing heat transfer and HVAC costs.	\$74,200
Electronically Commutated Motors (ECMs) on the centrifugal roof ventilator fan that adjust the speed of the fans to match the demand, reducing energy usage.	\$1,400
Six new cold climate heat pumps with a Season Energy Efficiency Ratio (SEER2) rating of 16, meeting EnergyStar efficiency criteria; the heat pumps will work with the fans with ECM motors that control the speed to match heating and cooling loads.	\$20,800
New roof top unit (RTU) with a variable speed drive on the supply fan and an economizer for free cooling when the outside air conditions	\$53,460

Response to Information Request MN-DOC-004
Page 2 of 2

allow. This unit reduces mechanical cooling and overall energy consumption.	
Energy recovery ventilation (ERV) unit with variable speed drives on the supply and exhaust fans; cooling coil with an Energy Efficiency Ratio (EER) of 12.5 which exceeds the code baseline of 11.8. This unit recovers heat and moisture from exhaust air with a variable speed drive on the exhaust fan to adjust the speed to match ventilation demand.	\$53,460
Upgrades of all fluorescent lighting to high efficiency LED fixtures with built-in luminaire level lighting controls that adjust lighting based on occupancy and demand.	\$145,000
Total *	\$359,270

* The following bullet points were not broken out in detail by Otter Tail Power's contractor:

- HVAC system controls upgrade to optimize system performance reducing unnecessary heating, cooling, and fans operation.
 - This is included in overall HVAC upgrades and replacement costs of \$363,000.
- Converting part of the garage to office space with storefront windows improves energy efficiency by eliminating frequent overhead door use for truck access.
 - This is included in overall electrical, HVAC, framing, sheetrock, etc. costs of \$900,000.

Response to Information Request MN-DOC-005
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OTTER TAIL POWER COMPANY
Docket No: E017-M-25-199

Response to: MN Department of Commerce
Analyst: Justin Taylor and Mark Johnson
Date Received: June 24, 2025
Date Due: July 14, 2025
Date of Response: July 14, 2025
Responding Witness: Amber Grenier, Manager, Regulatory Economics, 218-739-8728

Information Request:

Topic: Milbank CSC Remodel Project Cost
Reference(s): Petition, pages 21-23

Request:

On page 23 of the petition, Otter Tail stated the Milbank CSC Remodel project will result in an estimated total costs of about \$3.3 million (OTP Total). Please provide an itemized breakdown of the costs by items listed in the bullets provided on pages 21-22.

Attachments: 0

Response:

Otter Tail Power provides an itemized list of the estimated total costs for the Milbank CSC Remodel below.

Item	Price
Telecom / PACs (phones, network, electronic controls, security cameras, etc.)	\$35,000
Asbestos Abatement	\$25,000
Cubicles / Furniture	\$225,000
General Contractor *	\$2,550,000
Architect / Engineering / Design / Construction Administration	\$250,000
AFUDC **	\$180,000
Miscellaneous (building signage, décor, etc.)	\$50,000
Total Estimated Project Cost	\$3,315,000

* Includes the following:

- Conversion of approximately 60 percent of garage space into office space to allow for 27 employees on site.

Response to Information Request MN-DOC-005
Page 2 of 2

- Electrical system improvements.
- HVAC system improvements.
- Installation of sprinkler system.
- Area for private phone calls.
- Installation of a sound masking system.
- Customer Service Representative group will be together in one area of the office.
- Large windows for natural light.
- Addition of a dedicated mother's room.

**** Otter Tail Power will no longer collect AFUDC once the project is included for recovery in the EUIC tracker.**

Response to Information Request MN-DOC-006
Page 1 of 2

OTTER TAIL POWER COMPANY
Docket No: E017-M-25-199

Response to: MN Department of Commerce
Analyst: Justin Taylor and Mark Johnson
Date Received: June 24, 2025
Date Due: July 14, 2025
Date of Response: July 14, 2025
Responding Witness: Amber Grenier, Manager, Regulatory Economics, 218-739-8728

Information Request:
Topic: Milbank CSC Remodel Project – Energy Upgrades
Reference(s): Petition, pages 21-23

Request:

Please confirm how much of the overall \$3.3 million estimated costs of the Milbank CSC Remodel is attributable to the energy upgrades listed in the bullets on page 23.

Attachments: 0

Response:

Otter Tail Power provides an itemized list of estimated prices for the Milbank CSC Remodel attributable to energy upgrades below.

Item	Price
Clear insulated glazing windows throughout the building, reducing heat transfer and lowering HVAC costs.	\$10,000
Skylights for natural lighting, reducing lighting systems energy usage.	\$20,000
ECMs on the centrifugal roof ventilator fan that adjust the speed of the fans to match the demand, reducing energy usage.	\$1,400
High efficiency air source heat pumps.	\$42,250
New RTU with an EER of 12.5 exceeding Energy Star criteria. This unit operates with a variable speed drive on the supply and exhaust fans and an economizer for free cooling when the outside air conditions allow.	\$51,500
Upgrade to direct digital controls on HVAC systems to further optimize performance.	\$45,678
Energy recovery unit with variable speed drives on the supply and exhaust fans; cooling coil with EER of 12.5, which exceeds code baseline. This unit recovers heat and moisture from exhaust air with a variable speed	\$40,500

Response to Information Request MN-DOC-006
Page 2 of 2

drive on the exhaust fan to adjust the speed to match ventilation demand.	
Upgrade all fluorescent lighting to high efficiency LED fixtures and occupancy sensors.	\$77,560
Total	\$288,888

Response to Information Request MN-DOC-007
Page 1 of 2

OTTER TAIL POWER COMPANY
Docket No: E017-M-25-199

Response to: MN Department of Commerce
Analyst: Justin Taylor and Mark Johnson
Date Received: June 24, 2025
Date Due: July 07, 2025
Date of Response: July 02, 2025
Responding Witness: Amber Grenier, Manager, Regulatory Economics, 218-739-8728

Information Request:
Request Number: 7
Topic: Jurisdictional Allocators
Reference(s): Petition, p. 30

Request:

On page 30 of the petition, Otter Tail states they utilize the Minnesota jurisdictional allocations as approved by the Commission in its last rate case, Docket No. E017/GR-20-719. Please provide the impact on revenue requirements on a total Company and Minnesota jurisdictional basis if the Company used its most recent updated allocators.

Attachments: 0

Response:

The Total Company revenue requirement is \$7,205,914. This number is not impacted by updating allocation factors.

The 2021 Test Year and the 2024 actual allocation factors are reflected in Table 1 below.

Table 1

	2021 Test Year Allocation Factors	2024 Actual Allocation Factors
C6	46.09%	46.20%
C7	48.60%	46.68%
C9	46.74%	46.60%
P60	43.86%	43.05%
P90	49.15%	46.97%

Response to Information Request MN-DOC-007
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Table 2 provides a comparison of the revenue requirement for the current recovery period using the allocation factors from the 2021 Test Year and the 2024 actual allocation factors, which results in a \$30,822 increase in the revenue requirement.

Table 2

Revenue Requirement Comparison		
2021 Test-Year Allocation Factors	2024 Actual Allocation Factors	Difference
\$3,284,179	\$3,315,001	\$30,822

Table 1 indicates that some allocation factors have increased while others have decreased in this request. The C6 allocation factor, which applies to hardware components of AMI and DR projects, has increased. Because these projects have a greater proportion of hardware relative to software, the C6 factor more than offsets the reductions observed in other allocation factors.

CERTIFICATE OF SERVICE

I, Sharon Ferguson, hereby certify that I have this day, served copies of the following document on the attached list of persons by electronic filing, certified mail, e-mail, or by depositing a true and correct copy thereof properly enveloped with postage paid in the United States Mail at St. Paul, Minnesota.

**Minnesota Department of Commerce
Public Comments**

Docket No. E017/M-25-199

Dated this 13th day of **August 2025**

/s/Sharon Ferguson

#	First Name	Last Name	Email	Organization	Agency	Address	Delivery Method	Alternate Delivery Method	View Trade Secret	Service List Name
1	Mike	Bull	mike.bull@state.mn.us		Public Utilities Commission	121 7th Place East, Suite 350 St. Paul MN, 55101 United States	Electronic Service		No	M-25-199
2	Ray	Choquette	rchoquette@agp.com	Ag Processing Inc.		12700 West Dodge Road PO Box 2047 Omaha NE, 68103-2047 United States	Electronic Service		No	M-25-199
3	Generic	Commerce Attorneys	commerce.attorneys@ag.state.mn.us		Office of the Attorney General - Department of Commerce	445 Minnesota Street Suite 1400 St. Paul MN, 55101 United States	Electronic Service		Yes	M-25-199
4	Lauren	Donofrio	ldonofrio@otpc.com	Otter Tail Power Company		215 South Cascade Street Fergus Falls MN, 56538-0496 United States	Electronic Service		Yes	M-25-199
5	Sharon	Ferguson	sharon.ferguson@state.mn.us		Department of Commerce	85 7th Place E Ste 280 Saint Paul MN, 55101-2198 United States	Electronic Service		No	M-25-199
6	Paula	Foster	pfoster@otpc.com	Otter Tail Power Company		215 S Cascade St PO Box 496 Fergus Falls MN, 56538-0496 United States	Electronic Service		Yes	M-25-199
7	Jessica	Fyhrie	jfyhrie@otpc.com	Otter Tail Power Company		PO Box 496 Fergus Falls MN, 56538-0496 United States	Electronic Service		No	M-25-199
8	Amber	Grenier	agrenier@otpc.com	Otter Tail Power Company		215 S. Cascade St. Fergus Falls MN, 56537 United States	Electronic Service		Yes	M-25-199
9	Adam	Heinen	aheinen@dakotaelectric.com	Dakota Electric Association		4300 220th St W Farmington MN, 55024 United States	Electronic Service		No	M-25-199
10	Nick	Kaneski	nick.kaneski@enbridge.com	Enbridge Energy Company, Inc.		11 East Superior St Ste 125 Duluth MN, 55802 United States	Electronic Service		No	M-25-199
11	Emily	Ketelsen	eketelsen@otpc.com	Otter Tail Power Company		215 South Cascade Street Fergus Falls MN, 56537 United States	Electronic Service		Yes	M-25-199
12	James D.	Larson	james.larson@avantenergy.com	Avant Energy Services		220 S 6th St Ste 1300 Minneapolis MN, 55402 United States	Electronic Service		No	M-25-199
13	Kavita	Maini	kmains@wi.rr.com	KM Energy Consulting, LLC		961 N Lost Woods Rd Oconomowoc	Electronic Service		No	M-25-199

#	First Name	Last Name	Email	Organization	Agency	Address	Delivery Method	Alternate Delivery Method	View Trade Secret	Service List Name
						WI, 53066 United States				
14	Andrew	Moratzka	andrew.moratzka@stoel.com	Stoel Rives LLP		33 South Sixth St Ste 4200 Minneapolis MN, 55402 United States	Electronic Service		No	M-25-199
15	Matthew	Olsen	molsen@otpc.com	Otter Tail Power Company		215 South Cascade Street Fergus Falls MN, 56537 United States	Electronic Service		No	M-25-199
16	Generic Notice	Regulatory	regulatory_filing_coordinators@otpc.com	Otter Tail Power Company		215 S. Cascade Street Fergus Falls MN, 56537 United States	Electronic Service		Yes	M-25-199
17	Generic Notice	Residential Utilities Division	residential.utilities@ag.state.mn.us		Office of the Attorney General - Residential Utilities Division	1400 BRM Tower 445 Minnesota St St. Paul MN, 55101-2131 United States	Electronic Service		Yes	M-25-199
18	Cary	Stephenson	cstephenson@otpc.com	Otter Tail Power Company		215 South Cascade Street Fergus Falls MN, 56537 United States	Electronic Service		No	M-25-199
19	Stuart	Tommerdahl	stommerdahl@otpc.com	Otter Tail Power Company		215 S Cascade St PO Box 496 Fergus Falls MN, 56537 United States	Electronic Service		No	M-25-199